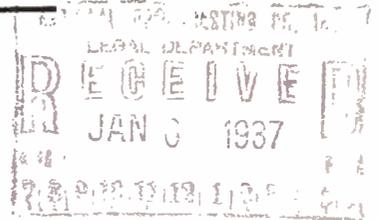


HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication



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January 5, 1937.

TELEVISION NOT READY FOR PUBLIC, FCC SAYS IN REPORT

Although progress has been made in the technical development of television during the past fiscal year, it is still not ready for public service on a national scale, according to the Engineering Department of the Federal Communications Commission.

This opinion, along with a commendatory appraisal of facsimile transmission and a prediction that the radio bands will continue to be crowded despite anticipated expansions, was contained in the FCC's annual report submitted to Congress on Tuesday, January 5th.

The appraisal of television, however, is somewhat out of date in view of developments in recent months as it was made as of June 30, 1936, the end of the fiscal year.

"While the technique of television has progressed during the past year, it seemed generally the consensus of opinion that television is not yet ready for public service on a national scale.

"There are numerous obstacles to be overcome and much technical development is required before television can be established on a sound national scale. Nevertheless, the rate of progress is rapid and the energies of the laboratories of the country are being concentrated on the technical development of television."

The FCC Engineering Department indirectly recommended that the Commission move cautiously in making allocations and leave the way open for changes as technical progress continues.

Reciting the record of the hearing held by the FCC in mid-June, the Engineering Department said:

"The evidence showed the necessity for making tentative allocations in order to avoid the pitfalls of premature intrenchment resulting from huge expenditures for experimental apparatus, developing into future obstacles of a practical nature when the time becomes opportune for permanent allocation.

"It was also indicated that even though the useful radio spectrum in the next few years will be seven times as extensive as that of today, there would not be made available such additional multiplication of channels, and that with the advent of new services such as television and other new uses for radio, the Commission would continue to be confronted with a dearth of radio facilities in the face of a large demand therefor.

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"The rapid progress being made in the development of facsimile communication, both in the transmission of photographs and in the transmission of printed matter by radio and wire, has reached a stage which commands attention. Facsimile transmission and reception has the possibility of affecting considerably the method of conducting record communications in the future. While the future economic problems and benefits presented by facsimile are not yet clearly understood, it appears that the potentialities of this new service are of sufficient importance to require close attention to the results of experimentation and evolution in commercial operation.

"The inauguration of field tests of the coaxial cable system between New York and Philadelphia is a forward step in the technique of communications. The results of these tests should be viewed with interest because of the potentialities involved in the application of this type of cable to the service of the public in the future. If the coaxial cable system should prove to be practical, it may bring about economic results of possible benefit to the public. The Commission's policy in this respect is to give full consideration to this technological trend and its social and economic consequences."

The FCC Legal Department reported that "while the past fiscal year has been characterized by an increase in the number of complaints received with regard to the program service of broadcast stations, the majority of the investigations conducted pursuant to such complaints resulted in informal adjustment thereof.

"In only 11 instances did the investigations, conducted as a result of the complaints, or reports from the Commission's field offices, require formal action, these being concerned with stations that broadcast lottery programs, objectionable medical programs, stock-selling schemes, and commercial fortune-telling programs.

"Final Commission decision has been rendered with respect to five of the aforementioned 11 cases, one resulting in the failure to renew the license of a station and its consequent deletion."

The report recites the various new rules invoked by the FCC during the year, studies conducted, and the effect of the repeal of the quota amendment.

The greater portion of the 131-page document, however, is devoted to statistical data concerning carriers engaged in wire or radio communications and the companies controlling them.

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1937 RADIO REVENUE SEEN EXCEEDING RECORD OF 1936

Although broadcast advertising revenue reached an estimated \$114,400,000 in 1936, indications are that this record will be surpassed in 1937, according to Dr. Herman S. Hettinger, Assistant Professor of Marketing, University of Pennsylvania, and now associated temporarily with the Federal Communications Commission.

Writing in Broadcasting, Dr. Hettinger said, in part:

"A continued growth of broadcast advertising volume may be expected during the coming year. Though complete information is yet to become available, it seems that radio advertising in 1936 experienced a gain of no less than 19% over the previous year. Assuming growth in 1937 at even half that rate, a total volume in the neighborhood of \$125,000,000 may be expected. Volume here is stated on the basis of the one-time rate conventionally employed by media for this purpose.

"The preceding prediction is made on the basis of an estimated total volume for 1936 of \$114,400,000. This estimate is based upon data for the first ten months of the year, and also contains an upward readjustment of NAB local broadcast advertising volume, the necessity of which was revealed in the recent Bureau of Census report on the radio broadcasting industry. It should be noted that the readjustment is based upon incomplete data and represents merely a tentative estimate. However, it is the best possible at the present time and at least presents a better picture of total broadcast advertising and of the relative importance of various portions of the medium than otherwise could be secured.

"Estimated broadcast advertising volume for 1935 and 1936 (gross time sales) on the basis of readjusted local volume is as follows:

	<u>1935</u>	<u>1936</u>
National Networks	\$50,087,686	\$59,000,000
Regional Networks	1,110,739	1,400,000
National Non-Network	17,000,000	23,000,000
Local	<u>27,000,000</u>	<u>31,000,000</u>
	\$95,678,425	\$114,400,000

"Of even greater interest are the probable developments with regard to various portions of the medium. National network advertising will continue to gain, though the rate at which it will do so depends upon a number of highly speculative factors.

"National network volume was the first to recover from the set-back which radio advertising received in 1932 and 1933 as a result of the depression. Network advertising experienced a gain of 35.3% in 1934 over 1933, and of 17.4% in 1935 over the preceding year. The increase for the year just closed will

probably be between 15% and 18%. It should be noted that a portion of this evenly maintained rate in the past two years has been the result of the entrance of the Mutual Broadcasting System into the national network field. Had this not occurred, the tendency toward a slower rate of increase would have been more pronounced."

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CBS BID ON WOAI WITHDRAWN AS EXAMINER DISAPPROVES

Consummation of probably the second largest broadcasting station deal was blocked last week and the deal called off, temporarily at least, after a Federal Communications Commission Examiner had recommended against approval of the sale of WOAI, San Antonio, to the Columbia Broadcasting System for \$825,000.

CBS has little choice after Examiner P. W. Seward had filed his report only a few days before the purchase contract was due to expire on December 31. The FCC Broadcast Division was out of session for the holidays and did not resume its meetings until today, Tuesday, January 5th.

Station WOAI, a 50,000 watt outlet, is now an NBC affiliate. Under the proposed shake-up, KTSA, San Antonio, and KNOW, Austin, both owned by Hearst Radio, Inc., were scheduled to join NBC, as WOAI went to CBS.

The adverse Examiner's report, which raised a grave question as to the property rights of broadcasting stations, was unexpected in view of the FCC's former approval of the purchase of KNX, Los Angeles, by CBS for the record price of \$1,300,000.

Examiner Seward recommended denial on the ground that it would violate two sections of the existing law. He held it would "amount to the recognition of an assertion of ownership and sale of radio facilities" and also that it would violate the public interest clause.

In a 25-page report, the Examiner delved deeply into precedents established in other cases and into radio law. "All of the acts of Congress and the decisions of the Court", he said, "negative the idea that a licensee of a radio broadcast station should ever be permitted to place a value on the license, frequency or channel or be permitted to traffick in radio facilities or to assert or exercise 'ownership' thereof." He said that it appeared certain that if Congress had intended to permit the "barter, sale, trafficking in radio broadcast licenses, frequency, or channels, it would have fixed a standard for the guidance of this Commission in arriving at a proper value."

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PAYNE DOUBTS CONSTITUTIONALITY OF BAN ON PUBLISHERS

While pointing to the inherent dangers of newspaper control of the radio, Federal Communications Commissioner George Henry Payne doubts that a law restricting publishers from gobbling up broadcasting stations would be constitutional.

Speaking before the American Association of Teachers of Journalism at St. Louis, Commissioner Payne denied that radio constitutes a challenge to journalism.

"The idea that radio challenges journalism is not based on a knowledge of history or of the evolution of political, economic or even of technical ideas", he said. "Journalism is the safeguard of democracy even when journalism is prejudiced. It is an institution. Radio is but an instrument.

"Radio will affect the profits that come from advertising as aviation will affect the profits of carriers on the ground who have hitherto enjoyed a monopoly of transportation.

"The basis of the objection to newspapers owning broadcast stations is the belief on the part of many legislators that radio should be a check on the newspapers and not under their control. It is pointed out that if 85 percent of the papers in the country are opposed to one candidate, the only protection he has against unfair play is the fact that he can go to the people over the air.

"It is this critical attitude that has given encouragement to those who are opposed to newspapers owning radio stations. The number of those who hold this view has greatly grown in the last six months. As we of the Federal Communications Commission have never had to meet the situation, the problem has remained in the realm of general discussion. Personally, I do not see how you are going to frame a constitutional law that will bar the owner of a newspaper from operating a broadcast station if you allow manufacturers of this article or that to do so.

"Up to date, however, I have not heard of anyone seriously attempting to draft such a law, although one distinguished legislator believes that such a law could be upheld as constitutional - as was the law prohibiting the railroads from owning the coal mines. When that bill is drafted, the debate will be bitter and illuminating.

"After the recent election we heard much discussion along the line that radio had superseded journalism as an influence with the people. It is difficult to conceive such an idea or the basis for such a belief. By the very means of its existence it is impossible for radio broadcasting to rise to the heights of the journalistic accomplishment in this country in the last 150 years. You might just as well say that radio

had succeeded to books and that hereafter people will no longer read, they will just listen, and accept the almost inevitable corollary that in the course of time they will stop thinking and do nothing but talk.

"Radio as a means of instant communication with all sections of the world will develop. As a means of transmitting news and even views it will, we hope, help to bind the people of the world together in the onward march toward happiness, progress and peace. But the motive power that will furnish the ideas transmitted through the air to the millions of the human race will be the genius that developed both democracy and journalism in this country and that will ever be the spiritual force of an unselfish Fourth Estate."

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ENGINEERS TO SUBMIT PRELIMINARY REPORT TO FCC

A preliminary report based on findings of the Engineering Department from a study of evidence submitted at the October broadcast band hearing will be submitted this week to the Broadcast Division of the Federal Communications Commission. Its contents are not immediately available.

From usually well informed sources, however, it appeared that the Engineering Department would recommend removal of the 50 KW maximum power limitation on clear channel stations, and a reduction in the number of clear channels to 28 or 29.

The question of super-power allocations for establishing more stations like WLW, Cincinnati, was left to the FCC to decide as a matter of policy, it is understood, on the ground that social and economic factors outweigh technical considerations in power grants beyond 50 KW.

Classification of broadcasting stations into six groups also is understood to be one of the recommendations expected.

Meanwhile, it was learned that Dr. Herman S. Hettinger, Assistant Professor of Marketing, University of Pennsylvania, has been hired by the Engineering Department to summarize certain of the economic data produced by the October hearings.

Consequently, it is believed that a removed proposal that an "economic section" to pass upon market and social factors in broadcast allocations will not be made until Dr. Hettinger's study is completed, if at all.

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TRADE MARK RULING RECOGNIZES SIMILARITY OF SOUNDS

Recognizing the widespread use of radio as an advertising medium, the U. S. Court of Customs and Patent Appeals in Washington has ruled out a trade-mark application on the ground that it resembled a registered trade-mark in sound although not in spelling.

Reversing the Commissioner of Patents in the case of Marion Lambert, Inc. vs. Edward J. O'Connor, the court ruled that the latter could not be given a registration of the mark "VOO" for a depilatory, because it resembled too closely the mark "DEW", a deodorant, held by the Lambert corporation.

"Similarity in the sound of the names under which goods are sold is becoming a more important consideration in the decision of cases of this kind as the effective advertisement of goods becomes increasingly dependent upon radio facilities" said the opinion. Judge Finis J. Garrett was the only member of the five-judge court to dissent. The decision was handed down by Judge Oscar E. Bland.

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EDMUNDS, FORMER RADIO EXECUTIVE, DIES

Ralph Edmunds, publicity director of the Metropolitan Opera House in New York many years ago and later business manager of the Philadelphia Philharmonic Orchestra, died last Saturday in the French Hospital, New York City.

He was an Englishman by birth, but had lived in the country for many years. In 1904 he left the Metropolitan to manage the Henry W. Savage English "Parsifal" company, returning to his old position later. His last season with the Metropolitan was that of 1909-10.

He was with the Philadelphia Orchestra during the war years, and until 1929 he had been manager of Station WRC of the National Broadcasting Company here in Washington.

Surviving are his widow, Mrs. Rose Marie de Foix Edmunds, and two daughters, Mrs. Eleanor E. Oliphant and Miss Rose Marie de Foix Edmunds.

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ARNOLD LAUDS RADIO ADVERTISING IN PUBLISHERS' ORGAN

Writing the first of his weekly articles on radio in Editor & Publisher, Frank A. Arnold, former radio executive and advertising man, has this to say of radio advertising at the end of a brief historical review of broadcasting:

"It is not the purpose of this article to elaborate on the commercial side of broadcasting other than to call attention to the fact that radio presents to the advertiser the realization of his dream long unfulfilled, that some method might be devised whereby his product could be brought directly to the attention of the family circle. What could be more ideal than a medium of communication which would lay down the sponsored program inside the home and under circumstances where the beauty of the program itself assured the advertiser a courteous reception of his message? The development of the commercial side of broadcasting was approached with great care and with some apprehension and this contains material for a story of its own. Suffice it to say in dollar terms that in 1927 the revenues from broadcast advertising were less than \$1,000,000. Progressively, by leaps and bounds, this has increased until the total figures for 1936, when finally assembled, will undoubtedly show cash revenue from all forms of broadcast advertising, both net-work and local, in excess of \$103,000,000.

"Lacking at the start serious consideration by either the advertiser or his agency, ridiculed by many as a new-fangled music-box, tolerated by other advertising media as of not enough importance to be classed as a competitor; in spite of all this there has been developed a strong, healthy, progressive and altogether worthwhile medium - Radio, the Fourth Dimension of Advertising."

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FDR CONGRATULATES MBS ON EXTENSION

President Roosevelt and Commissioner Anning S. Prall extended congratulations to the Mutual Broadcasting System on its coast-to-coast expansion when the Mutual Network inaugurated nationwide service last week. The official messages opened the dedicatory program welcoming the Don Lee network of California and the Iowa and Central States networks, as they joined Mutual.

Alfred J. McCosker, Chairman of the Board of Mutual and President of WOR, and W. E. Macfarlane, President of Mutual, formally accepted President Roosevelt's and Commissioner Prall's greetings.

Mr. McCosker, in welcoming the Don Lee group to Mutual, emphasized the increased opportunity for public service and on behalf of the Board of Directors and staff of Mutual accepted "that responsibility as a mandate."

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 : : : : INDUSTRY NOTES : : : :
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The National Labor Relations Board on December 31st ruled against the Mackay Radio & Telegraph Co. in connection with its Portland, Ore., labor trouble and ordered Mackay to reinstate four employees with pay. The Mackay Company was ordered not to discriminate against any members of the American Radio Telegraphists Associations in regard to rehiring or any other conditions of employment.

An appointment to the job of Chief of the Electrical Division, U. S. Bureau of Foreign and Domestic Commerce, is expected momentarily. Three candidates are being considered seriously. Andrew W. Cruse left the post on December 15th to become Assistant Chief Engineer of the Federal Communications Commission.

Analyzing the first two years of the Cuban-American reciprocal trade agreement, the State Department in a press release for last Sunday cited "radio apparatus" as among the industrial products receiving tariff benefits.

The Broadcast Division of the Federal Communications Commission has granted the petition of Central Newspapers, Inc., to reconsider its action of December 15, 1936, in designating for hearing the application of the Indianapolis Broadcasting Inc., Station WIRE, Indianapolis, Ind., to transfer control of WIRE to Central Newspapers, Inc., and directed that said application be dismissed from the hearing docket and granted (Commissioner Case dissenting). It was further directed that an order be entered accordingly and forwarded to all interested parties.

Thomas P. Littlepage, Sr., radio counsellor, has been appointed Chairman of the Transportation Committee of the Roosevelt Inauguration by Rear Admiral Cary Grayson, Chairman of the Inaugural Committee.

The Federal Trade Commission has ordered C. G. Hyre, of Morgantown, W. Va., trading as The Pepsotalis Co., to cease and desist from unfair trade representations in the sale of "Pepsotalis", a medicinal preparation advertised by means of radio broadcasts.

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Ted Rogers, radio editor of the New York World-Telegram, has started making personal tests of new all-wave and short-wave radio receivers and reporting his findings to readers of his column. He undertook the survey, he said, because of numerous inquiries from readers as to what short-wave set he would recommend.

The Westinghouse Electric and Manufacturing Company for November had a net profit of \$1,226,192 after all charges and taxes, including provision for undistributed profits taxes. This brought the average net income for the November quarter to \$1,299,100 monthly. It entitled employees to an increase of 12 percent in December wages or salaries under the company's wage and salary plan introduced in May.

Libel suits seeking damages of \$100,000 each have been filed in District Court at Des Moines against the Iowa Broadcasting Co. and the Central Broadcasting Co. by Harold M. Cooper, of Marshalltown, Ia., former Chairman of the Iowa State Liquor Commission. Joined as defendants were WMT, Cedar Rapids; Verne Marshall, editor of the Cedar Rapids Gazette, 1936 Pulitzer prize winner for meritorious public service; and the Gazette Co.

Marshall, the Gazette Co. and radio station WHO, Des Moines, were also named in the Central Broadcasting petition.

Both suits grew out of speeches made by Marshall over WHO and WMT, Oct. 25 and Oct. 29, and published in the Gazette. The suits allege damages for malicious defamation of character.

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SOAP MAKERS NOW LEADING NETWORK SPONSORS

With Fels Naptha due to go completely network (CBS) Jan. 13, the coming year will probably find the soap industry accounting for a gross income in time of over \$6,000,000 to NBC and Columbia, according to Variety. Steady increase in accounts and expenditures from the soap business over the past five years reflects one of the more arresting success stories which broadcasting has to tell. It is estimated that the manufacturers in this classification will have spent around \$7,000,000 for network and spot programs, exclusive of talent, during 1936.

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D. C. FIRM CHARGED WITH MISUSING RCA NAME

Unfair trade representations in the sale of radio receiving sets, radio tubes, and supplies, are alleged in a Federal Trade Commission complaint issued against Sun Radio Service & Supply Corporation, 938 F Street, N. W., Washington, D. C.

Advertising its products as "Newest F.C.A. Licensed Automatic Featuring the New Metal Tube", the respondent company, through its representations, is alleged to have deceived buyers into believing that its products were those of the Radio Corporation of America and its subsidiaries, and that its glass tubes were metal tubes in which the technical elements were sealed in a vacuum of steel, when these were not the facts.

The complaint points out that the Radio Corporation of America has built up valuable good-will in the letters "R.C.A." as applied to its products, particularly to its radio receiving sets, radio tubes and supplies, and that the use of those initials is understood by the public to signify products manufactured by that corporation and its subsidiaries.

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NAB SALES DIVISION TO HOLD TWO-DAY MEETING

The first national meeting of the Sales Managers' Division of the NAB will be held in the Hotel Sherman, Chicago, January 18,19.

Climaxing a series of regional meetings held by branches of the Division, the national sessions cover a wide range of subjects relating to sales policies of stations, rates, discounts, merchandising and other business practices. Among the speakers are C. W. Myers, NAB, president; R. J. Barrett, Jr., Blackett-Sample-Hummert, Inc., Chicago; T. F. Flanagan, president, Penn Tobacco Co., and James W. Baldwin, NAB Managing Director.

Approximately 100 station executives are expected to attend the session. The meetings will be open only to members of the Sales Managers' Division or other station representatives with qualified credentials.

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WAYNE L. RANDALL

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20 ZONE, INTER-ZONE POLICE STATIONS NOW AUTHORIZED

The Federal Communications Commission disclosed this week that 20 zone and inter-zone radiotelegraph police stations have been authorized as the result of an allocation of frequencies to the service last September.

Bringing police agencies of cities and States into closer coordination in the pursuit of criminals, the 20 stations constitute the beginning of what eventually may become a nationwide network with the key station at the Justice Department's Bureau of Investigation.

The zone stations are those which are authorized to communicate with other police stations within their respective States, while the inter-zone stations may exchange information with adjoining States, as well as with cities in the State in which the inter-zone outlet is located.

Practically all of the licensees so far have permits to operate both zone and inter-zone transmitters. Among the cities which have obtained the new police radio facilities is Leavenworth, Kans., where the Federal prison is located.

Others are: Atlanta, Buffalo, Detroit, Houston, State Department of Public Safety at Indianapolis, Kansas City, Mo., Louisville, Memphis, New Orleans, State Highway Patrol at Columbus, O., St. Louis, Cleveland, Grand Rapids, Mich., City of Indianapolis, State of Minnesota at Redwood Falls, State Highway Patrol at Jefferson City, Mo., Richmond, Ind., and Tulsa, Okla.

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COPYRIGHT ISSUE REVIVAL SEEN AS DUFFY BILL REAPPEARS

Revival of the copyright issue that stirred up acrimonious debates between members of the 74th Congress is in prospect.

Senator Duffy (D.), of Wisconsin, reintroduced his bill, favored by the broadcasting industry, with slight changes, and authors of other copyright bills are expected to resubmit their measures momentarily.

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PAYNE STRONGLY MENTIONED AS CRUSE SUCCESSOR

Although officials of the Commerce Department declared that the appointment as yet had not been made, there was every indication that John G. Payne, formerly with the Westinghouse Company, had the inside track as successor to Andrew W. Cruse as Chief of the Electrical Division of the Bureau of Foreign and Domestic Commerce. In picking someone to succeed Mr. Cruse, who resigned last month to become an Assistant Engineer of the Federal Communications Commission, Assistant Secretary of Commerce, Ernest G. Draper, asked various interested industrial organizations, such as the National Electrical Manufacturers' Association, the Radio Manufacturers' Association, the Edison Electric Institute, and the National Association of Broadcasters, to make recommendations as to the new man. It is understood that most of these organizations have agreed upon Mr. Payne.

It was said at the Commerce Department that Mr. Payne "was about 49 or 50 years old, a business man with a technical background and one who would have a practical approach to the problems of the Electrical Division."

Mr. Payne was reported to have served the Westinghouse Company as a foreign representative and to have made export surveys for that concern. The position of Chief of the Electrical Division of the Bureau of Foreign and Domestic Commerce pays \$5,800 a year.

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THREE NEW STATIONS AUTHORIZED BY FCC

The Federal Communications Commission this week granted construction permits for the establishment of three new broadcasting stations. They are:

Free A. Baxter, Superior, Wis., 1200 kc., 100 watts, unlimited time; Tulare-Kings Counties Radio Associates, Visalia, Cal., 1190 kc., 2500 watts, daytime; Eastern States Broadcasting Corp., Bridgeton, N. J., 1210 kc., 100 watts, daytime.

McNary & Chambers, of College Park, Md., were granted a permit for a new experimental station on 1060 kc., 100 watts, for the purpose of experimenting with synchronizing a booster broadcast station without the use of wire lines.

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GENE IS NOW "MIZPAH - PA"!

Commander E. F. McDonald, Jr., President of the Zenith Radio Corporation of Chicago, and Mrs. McDonald are receiving the congratulations of the radio industry upon the birth of a daughter. Of the happy event, the Chicago Herald-Examiner has the following to say:

"One of the nicest cabins on 'Mizpah', the Eugene McDonalds' yacht, is being turned into a nursery for the little daughter born Saturday at Henrotin Hospital to the 'Mizpah's' 'skipper' and his pretty young wife.

"The little girl, who hasn't been given a name yet, will spend the Winter 'on land' with her proud and happy parents in their Lake Shore Drive apartment, but as soon as 'Mizpah' is out of dry dock, she will take her rightful place as the real commander of the largest and most palatial yacht on the Great Lakes.

"Until this Winter the McDonalds have made their home aboard the yacht since their marriage several years ago, and if there's anything to the theory of 'like father, like daughter', Miss McDonald will be more at home on the water than on dry land."

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RADIO STILL TRAILS FILMS IN YEARLY SALARIES PAID

Despite the payment of large weekly salaries to big-name entertainers for a few months of broadcasting, radio talent is still behind the motion picture stars in the volume and extent of salaries received over a 12-month period. This was apparent in the lists of salaries made public this week by the House Ways and Means Committee upon receipt of a report from the Treasury Department.

Radio could produce no name that carried earnings as much as the \$480,833 listed by Mae West. In fact, the preponderant majority of entertainers who reported salaries of more than \$50,000 came from the films and stage.

The business of broadcasting produced one high-salaried executive, William S. Paley, President of the Columbia Broadcasting System, who drew \$169,097 in 1935, which was almost double the \$96,000 earned by Owen D. Young, Chairman of the Board of General Electric. Edward Klauber, Vice-President of CBS, got \$50,269.

Maj. Edward J. Bowes, listed as Executive Director of Edmar Enterprises, Inc., drew \$135,642, and for similar position in the Tyro Productions, Inc., \$114,357.

Some of the outstanding radio entertainers and their earnings were:

George Burns and Gracie Allen, \$92,000; Joe Penner, \$100,000 stage and \$69,500, radio; Sigmund Romberg, the composer, got \$65,905 from radio; Rudy Vallee, \$166,348; Paul Whiteman, \$242,372; Walter Winchell, radio, \$77,500; Al Jolson, \$78,200; and Victor Young, \$58,701.

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38 NEW STATIONS AUTHORIZED BY FCC LAST FISCAL YEAR

The Federal Communications Commission authorized 38 new broadcasting stations and deleted five existing stations in the fiscal year ending June 30, 1936, its report to Congress this week disclosed.

Out of 3,567 applications of various sorts for improved facilities, 3,407 were granted by the FCC. These comprised construction permits, licenses, modifications of construction permits and licenses, consent to voluntary assignments of construction permits, extension of licenses, installation of automatic frequency control equipment, special authorizations, emergency authorizations, consent to transfer control of corporations, and permits to locate, maintain or use studio or apparatus for production of programs to be transmitted to foreign stations.

There were less licensed stations in operation at the close of the fiscal year 1936 than at the end of the fiscal year 1927, the report shows, although the former number has been increased since last June.

The total number of stations licensed or under construction on June 30, 1936, was 656 as against 681 in the corresponding period of 1927.

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DRYS CHARGED WITH USING BOOTLEG STATION; BILL HITS ADS

A complaint that "organized drys" of the United States are using a "bootleg" broadcasting station on the Mexican border to disseminate propaganda in this country was filed with the Federal Communications Commission as a bill was filed in Congress to bar liquor advertising from the air.

The complaint came from C. D. Cecil, secretary of the National Institute of Manufacturers and Distributors, Inc., while the bill was introduced by Representative Culkin (R.),

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of New York. It was referred to the House Committee on Interstate and Foreign Commerce.

The complaint specifically asks investigation of an announcement by Miss Ethel Hubler, editor and publisher of "The National Voice", of Los Angeles, Calif., of "dry" broadcasts from Del Rio, Texas, by means of Station XERA, which is located in Villa Acuna, Mexico, "and over approximately 60 other stations in 30 different States." The XERA station is operated by Dr. John R. Brinkley, whose station, KFBB at Milford, Kans., was closed by the Federal Radio Commission about six years ago after a public hearing on charges that its broadcasts were "inimical to public health and welfare" and the nature of its programs conflicted with the law prohibiting the broadcasting of "profane, obscene, or indecent" utterances.

The complaint made by the National Institute of Manufacturers and Distributors, Inc., which is an organization of industrialists opposed to Prohibition, contends that the broadcast as announced by the "dry" publication, indicates violation of United States Law. It quotes Miss Hubler's statement that her broadcast will emanate from Del Rio, Texas, and be transmitted by Station XERA, and declares:

"This announcement would indicate violation of the Federal Communications Act of 1934 (Public Law No. 416). The radio broadcasting station named XERA, is located on foreign soil, at Villa Acuna, Mexico, and the Communications Act of 1934 specifically prohibits transmission of programs from the United States to foreign stations which can be heard in the United States.

"Further, this announcement by The National Voice suggests that this foreign station, XERA, one of the so-called 'bootleg' stations along the Rio Grande, which, seriously interfere with the operation of stations in the United States licensed by your Commission, has been made an integral part of a broadcasting chain in this country which includes 60 stations in 30 States."

The complaint also cites that the action of the Federal Radio Commission in closing the station operated by Brinkley in Kansas, was upheld by the United States District Court of Appeals for the District of Columbia in a decision which quoted the Biblical injunction: "By their fruits ye shall know them."

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ZEH SOCKS TELEVISION

Writing in the January issue of All-Wave Radio magazine, Jah Bouck says:

"After a few rounds, television never even came out of the corner.

"As in several past occasions, it is quite possible that for some years to come television's most important corner will be on the stock market."

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BBC REPORTS SMALL PROFIT FOR CALENDAR YEAR 1936

The British Broadcasting Corporation, which is barred by law from broadcasting advertisements of sponsored programs, earned a net profit of 324,161 British pounds in the calendar year 1936, according to a BBC press release.

Every owner of a radio receiving set in Great Britain must pay a license fee of ten shillings a year, which is collected by the British Post Office. Under the terms of the new agreement, which became effective January 1st, the BBC will get approximately six shillings and tenpence from each license fee.

As there are 7,897,518 licensed receivers now in use, the BBC estimates its 1937 income at more than £2,500,000. Last year its revenue, including income from publications, was £2,472,572 pounds.

Expenditures were divided as follows:

Programs:	£	£
Artists, Speakers, etc.	401,380	
Permanent Orchestras	201,080	
Performing Rights, Copyright Fees, and News Royalties	187,361	
Program Staff Salaries	227,200	
Miscellaneous	<u>93,551</u>	1,110,572
Engineering		386,529
Maintenance of Premises		182,560
Administration		118,898
Contribution to Staff Pension Scheme and Benevolent Fund		37,537
Governors' Fees		5,207
Depreciation and Renewal of plant and premises		187,000
Provision for Income Tax		<u>120,108</u>
		2,148,411
Balance		<u>324,161</u>
		£2,472,572

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F.D.R. RUNS TENTH IN RADIO POPULARITY POLL

President Roosevelt, who didn't even choose to run, outfinished such sars as "Amos 'n' Andy", Nino Martini and Lawrence Tibbett in a national poll of radio popularity conducted by Motion Picture Daily.

The President wasn't the leader of this all-American open radio artists selection, made by more than 400 radio writers, but he finished well up in the money: tenth, in fact.

While the President's radio popularity with the radio writers didn't measure up to his political popularity with the people last November, it probably was greater than his popularity with the political writers before the election.

Those who finished ahead of the President in the open group were, in order, Jack Benny, Fred Allen, Rudy Vallee, Helen Hayes, Eddie Cantor, Bob Burns, Bing Crosby, Fred Astaire and Jessica Dragonette.

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WORLD DEMAND FOR RADIO FACILITIES CROWDS SPECTRUM

The problem of finding space for new radio facilities is becoming increasingly acute, the Engineering Department of the Federal Communications Commission stated in its report to Congress this week.

"During the past year many new assignments were made to stations in all parts of the world, and the problem of finding adequate space in the needed portions of the spectrum for the United States was more difficult than at any time before", the report stated.

"To show the tremendously rapid growth in the use of radio frequencies during the last few years, a comparison with the original international frequency list established by the Berne Bureau in December 1928 is illuminating. In the original list of December, 1928, a total of approximately 1,700 stations were listed. Five years later the number of stations was approximately 17,000, or a 10-fold increase. A rough check of the latest list dated March, 1936, shows a total of 25,000 stations. These figures are for stations at fixed locations and do not include ship, aircraft, amateur, and portable stations.

"Thus it is obvious that the difficulties of fulfilling the radio phase of the requirement of the Communications Act of 1934 for the establishment and maintenance of a rapid efficient world-wide wire and radio communication service with adequate facilities at reasonable charges for the public and for the pur-

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pose of the national defense are becoming increasingly difficult by reason of the lack of space in the useful radio spectrum. Detailed studies of an engineering nature are being made of the existing facilities both wire and radio, and the advantages and disadvantages of 'direct communication' versus 'indirect communication' are being thoroughly investigated, as well as technical improvements leading to increasing the availability of space in the 'ether'."

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DOUBLE RADIO CENSORSHIP PREVAILS IN HOLLAND

One of the difficulties with which the Dutchman who broadcasts a "talk", especially if that talk is topical or one on religion or politics, is confronted is the fact that his words are subject to the double censorship of the society which engages him (or allows him to use its time) and of the Government censor, according to World Radio.

This "preventive censorship", as it is called, is regarded, according to a correspondent in Holland, as irksome both in its mere existence and in the manner in which it is applied. Even the most topical of such talks must be submitted, with eight typed copies, to the Radio Central Control Commission three days before being broadcast, the only exceptions being the scanty news supplied by the official Press Bureau and descriptions, made at the time, of sporting and other public events.

The broadcasting societies and their speakers point out that this method makes the "topical" talks nearly a week old before they are heard by the public and thus places the radio reporter at a great disadvantage with the press, which, one of such speakers points out in the weekly organ of the N.C.R.V., "can always report and comment in the evening editions upon what has happened the same day."

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Renewal of the license of WHBC, Canton, O., and the granting of authority to transfer the license from Edward P. Graham to the Ohio Broadcasting Co., and modification of the station's construction permit, were recommended to the Federal Communications Commission this week by Examiner Melvin H. Dalberg.

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NOTES

Among the members newly appointed to the President's Inaugural Finance Committee in Washington are Harry Butcher, Vice President of the Columbia Broadcasting System; Vincent Callahan, Assistant to the Vice-President of National Broadcasting Company, and Frank M. Russell, Vice-President of NBC. John Littlepage, radio counsellor, has been appointed Vice-Chairman of the Committee.

J. E. Smith, President of the National Radio Institute, Washington, and E. R. Haas, Vice-President, are listed as receiving salaries of \$20,000 each in the Treasury salary reports made public by the House Ways and Means Committee.

A "Reuter" message states that a powerful ultra-short-wave television station is now being built in Moscow. The new station will have an aerial nearly 490 ft. high to insure reception of pictures within a radius of 30 to 40 miles. Transmissions are expected to commence during next Summer.

The much-postponed hearing on the Brooklyn cases was postponed again by the Federal Communications Commission until March 18, 1937.

Issuance of a permit for construction of a new broadcasting station at Sweetwater, Texas, to operate on 1310 kc., with 100 watts power, daytime, was recommended to the Federal Communications Commission this week by Examiner R. H. Hyde.

Andrew G. Haley, Federal Communications Commission attorney for the last year assigned to Telegraph Division legal work, has been reassigned to the Broadcast Division under Assistant General Counsel George B. Porter, and will be detailed to hearing work.

The British Broadcasting Corporation, a government monopoly, has announced that Lieut. Col. R. S. H. Stafford, recently appointed to its staff, was engaged in preparations "for action to be adopted in event of war." The announcement said his work is being carried on in conjunction with several government departments, as part of a "long range plan" to utilize radio facilities in a national emergency.

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COPELAND REVIVES? REINTRODUCES FOOD-DRUG BILL

Of interest to broadcasters is the Copeland Pure Food and Drug Bill which was reintroduced this week in the Senate by its author in somewhat changed form.

Senator Copeland's program and also a measure which is backed by Representative Chapman, of Kentucky, now both propose to give control of advertising of the products to the Food and Drug Administration. The bill which passed the House last June gave this authority to the Federal Trade Commission. The Senate bill reposed the control in the Food and Drug Administration. This clash was one of the chief reasons the bill died in conference between the two Houses.

The term "advertisement" is newly defined in the Copeland bill. It now "means all representations of fact or opinion disseminated in any manner, or by any means, other than by the labeling, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices or cosmetics."

Senator Copeland explained, in a statement, the treatment of advertising under the revised bill, and alluded to the controversy over which agency should exercise control.

"The controversial subject of control of advertising has been met by providing for the prohibition of false advertising by injunction", the New York Senator said. "The bill also states differently the offense of false advertisement. Previous bills have defined false advertisements as those which are 'false or misleading in any particular.'

"That definition has occasioned no end of controversy - some of it quite meritorious - on the ground that when applied to the unlimited field of advertising it was too elastic and encompassed things far beyond the purposes of the bill. Also it would lend itself to unnecessary and unjustified governmental interference, and impose upon the government a job far beyond the government's financial and personnel capacities to enforce."

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GENERAL C.C.I.R. MEETING SCHEDULED JAN. 21

A general meeting of the Committees preparing for the Fourth Meeting of the C.C.I.R. will be held in the offices of the Federal Communications Commission, Room 1413, New Post Office Building, Washington, D. C. on January 21, 1937 at 10 A.M. At this meeting consideration will be given the United States contribution as centralizing administration on Question 4, "Separation in kilocycles per second to be maintained between two broadcasting stations", and certain additional material to be submitted on Question 1, "Principles in the study and development of receiver selectivity curves."

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NBC BUILDS ULTRA-MODERN ANTENNAS FOR FOREIGN BROADCASTS

Two new and elaborate directional-beam antennas, under construction for several weeks at NBC's short-wave transmitting station, W3XAL, Bound Brook, N. J., are rapidly nearing completion and one of them, for South and Central America, is expected to be placed in operation on January 15. The other directive antenna, for transmissions to Europe, will be ready for use on or about February 20.

In addition to the directional-beam antennas, NBC is building new and improved non-directional systems for service to points other than South America and Europe. All of the new equipment occupies approximately twenty-five of the fifty-five acres belonging to WJZ, key station of the NBC-Blue Network at Bound Brook.

The addition of the directional-beam antennas will insure much finer service and reception of NBC programs in those countries upon which the force of the wave beam is directed.

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POPULARITY OF RADIO GROWING IN MEXICO, U.S. AGENT FINDS

Interest in radio in Mexico has shown a progressive increase in recent years, according to a report to the Commerce Department from the American Commercial Attache at Mexico City.

Imports of receiving sets and parts into the Mexican market during the year 1936 are expected to exceed 6,000,000 pesos (\$1,600,000). Approximately 99 percent of these imports originate in the United States, the report points out. While some American manufacturers ship fully assembled radios to Mexico, most prefer to ship chassis, cabinet and loud speaker for local assembling.

It is estimated that at the present time there are 250,000 radio receiving sets in use throughout Mexico, approximately 120,000 of which are in Federal District. Approximately 5 percent of the total represents battery sets. The great majority of the sets in use in the Republic are capable of receiving local programs only, although the popularity of all-wave sets is growing and there is an increasing interest evident in reception of United States programs.

There are 90 broadcasting stations in Mexico, according to latest reports, of which 75 are commercial stations, 2 cultural stations, and 11 official stations. According to law a license to operate a commercial station in Mexico is granted only to Mexicans or societies or corporations organized under the laws of Mexico. Licenses for the operation of cultural stations may be extended to either a Mexican or a foreigner, according to the report.

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CP FOR 1,000-WATT CAPITAL STATION RECOMMENDED FOR DILL

Former Senator Clarence C. Dill, who now practices law in Washington, this week cleared the first hurdle in the race for a new broadcasting station in the National Capital. Examiner John P. Bramhall recommended to the Federal Communications Commission that his application for a construction permit to operate a station on 1390 kc., with 1 KW power, unlimited hours, be granted.

Four other applicants are seeking broadcasting facilities in Washington although only three have filed applications. They are Eugene Meyer, publisher of the Washington Post; the Continental Radio Co., subsidiary of the Scripps-Howard Newspapers, which publish the Washington Daily News; Hearst Radio, Inc., which is associated with the Washington Herald and Times; and William Dolph, who was in charge of radio relations for the Democratic National Committee during the recent presidential campaign.

Hearst has been trying to buy Station WMAL, in Washington, while the other applicants are seeking new stations.

The granting of the Dill application, it is believed, would close the door against the other applicants for the time or until other frequencies are made available for broadcasting.

Examiner Bramhall points out at the beginning of his report that while former Senator Dill "has had no experience in the actual operation of a radio station" that he was co-author of the Radio Act of 1927 and was sponsor of other important radio legislation while a member of the Senate and on the Interstate Commerce Committee.

"In 1934, as Chairman of the Interstate Commerce Committee of the Senate, he helped to prepare the measures which afterwards became known as Communications Act of 1934", the report states. "His interest in radio, however, was not limited to the legislative phase of that subject but he traveled extensively both in America and Europe investigating the operation of radio and particularly the type and character of programs. This gave him a wide perspective upon the subject of radio. He now desires to give the listening public the benefit of his experience and study of radio by engaging in the operation of a broadcast station featuring programs not now received in the area proposed to be served and by contributing something to the radio art.

"Applicant gave in his application filed with the Commission the following estimate with respect to the cost of the station: Transmitter, \$12,000; studio, \$2,000; land and

towers, \$10,000. At the hearing he revised this estimate by increasing it \$5,000. He also gave as cash set aside for station construction should this application be granted, \$30,000. This sum, however, has been increased to \$35,000 cash in bank for station construction and is immediately available.

"Applicant expects to employ an experienced progressive staff should this application be granted, consisting of a station manager, program director, engineers, announcers, continuity writers, reporters, a sales force, talent and such other assistance as may be necessary to properly operate the station. Applicant also expects to participate actively in the management and operation of the station, having in mind the development of new departures from the present day programs. At the present time there are no new ideas and few, if any, recent advancements in the matter of radio programs or their presentation as now received by the listening public in Washington.

"Washington has a vast array of talent for program material in radio work, much of which is already trained for broadcasting. In the musical world the talent ranges from sacred and classical to popular music, both vocal and instrumental. Washington has a very large number of musical academies and musical instructors thus affording a wide field of talent that may be developed for radio broadcast service. This is aside from a large number of artists in this work who are already trained and available.

"Program material in Washington, according to testimony, is not limited to the field of music but, because of the fact that Washington is the capital of the nation, many people with rare ability are attracted to the city. The field of science and fine and applied arts are available as program material for a radio station. Little or no attention has heretofore been paid to this particular type of program in this area. Applicant also proposes personally to arrange for lectures by men from foreign fields, particularly diplomats respecting their country, its government, and the habits and industries of their people. This type of program is intended for the public schools of the district. Applicant has already contacted the heads of the schools of the district with reference to radio programs and was advised that the schools are well equipped for the reception of radio programs but up to date programs of the character that are adaptable to the school room have been few. It is also proposed that a special program be rendered daily during sessions of Congress keeping the public advised as to the progress of the measures before Congress with suitable comments on pending legislation.

"It is also proposed by the applicant in this program to give time to a religious organization which has heretofore never appeared on the air, the Adventist Church. This sect conducts one of the largest sanitariums in this section of the country and will be in a position to render excellent programs both on the subject of religion and health."

The Examiner admits that four stations are located at less than the recommended separation from the assignment requested by Mr. Dill. They are: WHK, Cleveland, on 1390 kc.; KLRA, Little Rock, 1390 kc.; WCBM, Baltimore, 1370 kc.; and KQV, Pittsburgh, 1380 kc.

He comes to the conclusion that no interference will occur by reason of this congestion in the daytime but that some trouble may be expected at night.

The applicant proposes to install a directional antenna at the transmitter plant in Bethesda, Md., and to equip studios in Washington.

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WHEELER ASKS FCC VIEWS ON NEWSPAPER CURBS

Apparently proceeding with his proposal to draft legislation aimed at curbing newspaper control of broadcasting stations, Senator Wheeler, of Montana, Chairman of the Senate Committee on Interstate Commerce, has addressed two letters in the name of the Committee to Anning S. Prall, Chairman of the Federal Communications Commission. The letters ask information concerning the ownership and control of broadcasting chains and the number of newspapers owning and operating stations.

The Senator asked also for an opinion by FCC counsel "on the question as to whether or not the Commission has the authority, at the present time, to deny an application of a newspaper for radio facilities on the ground that it is against public policy."

He further asked that FCC counsel inform his Committee "whether, if the Commission has not such authority at the present time, legislation could be passed denying the right of newspapers to acquire them in the future, and requiring all newspapers within a reasonable time to divest themselves of the ownership and control of such radio stations."

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In November, the National Broadcasting Company picked up broadcasts from 26 foreign countries - from Poland to the Honduras, from Austria to Chile, Latvia to Salvador. In all, foreign broadcasts during the month consumed 12 hours and 36 minutes - just tripling the time devoted to such programs in November of last year (1935).

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PAYNE RENEWS ATTACK ON WASHINGTON'S "RADIO LOBBY"

Renewing his attack on what he terms "Washington's radio lobby", Commissioner George Henry Payne this week in an address at Harvard University asserted that absorption of "short-wave facilities which belong to the United States government" would constitute "a public scandal redolent of the Teapot Dome."

The Commissioner said that he has documentary evidence to prove the charge that this "lobby" is attempting to take away from the government the five short-wave frequencies set aside for the Pan American station but never utilized.

Recalling an address he made a year ago at Syracuse University, Payne said that "certain unscrupulous and misguided captains of industry were attempting to block the entire project, even though they recognized its great importance from a national standpoint, merely because at some later date it might be looked upon as the entering wedge for the government operation of all broadcasting."

He recalled that an executive order had been issued by the President allocating the short-wave frequencies for the Pan American station, that the Berne Bureau had been notified, and that an engineering survey had been made. There the project apparently has ended.

"I am sorry to say this morning that my fears were fully justified", the Commissioner said, "and that not only have these same interests continued to block the development of this essentially American project, but actually within the last few months a vicious attempt has been made to take over from the Government these precious five frequencies which were allocated for this service by Executive Order of the President, to take them over for commercial operation on the spurious plea that since little progress had been made in the development of this project by the Government itself, it is now necessary for private interests to operate stations on the frequencies, in order to protect the use of these frequencies for the United States as a whole.

"It is hardly necessary for me to point out to you that the very people who are urging this are the ones who have been opposing the project all along, and who, until the present, have effectively succeeded in sabotaging it.

"I have complete documentary evidence to support all this, including the names of the persons and the organizations involved. I hope that it will not be necessary to wash all this dirty linen in public, and I am refraining from saying any more at this time, because I know that steps are being taken in the very highest administration circles to clear away all this barrage of interference and start immediately operation of the

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project. I mentioned it, however, to point out the dangers to our American system of Government of the sort of insidious back-door lobbying of the type which led to such scandals as Teapot Dome.

"Unless constructive steps are taken by the industry itself to clean up some of the flagrant violations of public confidence and support, Congress itself will be obliged to take an active hand in the matter.

"One of the first steps in the development of a national policy, particularly a policy dealing with our foreign friends, is the construction of a national broadcasting station owned and controlled solely by the United States. Every other nation in the world has such a station.

"Every other nation in the world is prepared to defend itself over the air from the attack of foreign or unfriendly agencies.

"Every other nation in the world is prepared to see that the world understands its point of view - and yet this nation, where the greatest development of radio has taken place, is absolutely without control over the commercial interests within its own borders and outside of its borders is at the mercy of every propagandizing nation.

"We ought to have a station through which the President of the United States could speak to the world, particularly at this time of world unrest and stress."

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WLW BROADCASTS HELD VALUABLE BY FCC

The experimental operation of the country's most powerful radio station is providing the FCC Engineering Department with valuable technical information, the Commission says in its annual report.

"As a result of the continued operation of Station WLW, Cincinnati, Ohio, on 700 kilocycles, with special experimental authority to operate with a power output of 500 kilowatts during regular broadcast hours", the FCC says, "considerable additional information concerning the effectiveness of this high power in serving the rural listener and the listener located in small urban centers remote from other broadcast service has been obtained. The use of a directional antenna at night to prevent interference to CFRB has been continued, and the effect upon the service rendered by the station appears to be slight.

"The results of the postcard questionnaire section of the allocation survey made by the Commission indicated that the first choice of the listeners in 13 States was WLW. In addition, WLW was the second choice of listeners in 6 more States."

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U. S. LONG-WAVE STATIONS ARE HEARD IN GREAT BRITAIN

American long-wave broadcasting stations are heard with "good volume, nearly every night", according to a correspondent of World-Radio, BBC journal, who notes at the same time that reception from this hemisphere isn't as good this Winter as last, probably because of increased sun spot activity.

"However, the listener who happens to be up after midnight can switch on the receiver with a reasonable chance of striking a good-night for American stations", he adds.

"Each of the four principal United States' networks includes a station heard with good volume in Great Britain. Probably the loudest and most reliable are: WCAU, Philadelphia (CBS), 256.3 m.; WTIC, Hartford, Connecticut (NBC Red Network), 288.3 m.; WBZ-WBZA, Boston and Springfield, Massachusetts (NBC, Blue), 302.8 m.; and WOR, Newark, New Jersey (Mutual Broadcasting System), 422.3 m. At times, WBZ-WBZA suffers severe interference from LR₄, Buenos Aires, and WJZ, New York City, 394.5 m., may be found to be a clearer if weaker NBC (Blue) outlet.

"Other high-powered stations easy to receive include: WPG, Atlantic City, New Jersey (CBS), 272.6 m.; WBT, Charlotte, North Carolina (CBS), 277.6 m.; WHAM, Rochester, New York (NBC, Blue), 260.7 m.; WABC, New York City (CBS), 348.6 m.; and WAAF, New York City (NBC, Fed), 454.3 m. WPG broadcasts a high percentage of non-network programs, and WBT, to a smaller extent, does likewise.

"Several transmitters rated at only 500 watts or 1 KW are receivable almost as regularly as the more powerful stations. The following are some of them: WNAC, Boston, Massachusetts, 243.8 m., belongs to the CBS chain, in addition to being the key station of the Yankee Network, a group of New England stations, which, it is reported, WTIC joins when not transmitting NBC programs. Another Boston CBS outlet is WAAB, 212.6 m. This station is also a member of the Colonial Network, a New England chain affiliated to the Mutual Broadcasting System. "

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FCC ENGINEERING REPORT HELD UP FOR REVISIONS

The preliminary report of the Engineering Department of the Federal Communications Commission, based on the broadcast hearing held last October, has been held up for revision, it was stated at the FCC offices this week.

The report, which was expected to be submitted to the Commission promptly upon its return from the Christmas vacation, is expected to contain recommendations as to super-power stations, clear channels, and reclassification of stations.

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FAMOUS PUBLISHER KEEPS UP WITH RADIO PROCESSION

The increase in power of WHIO, of Dayton, and the installation of the latest 5000 watt RCA transmitter is further evidence of how former Governor James M. Cox, of Dayton, Ohio, and once Democratic presidential candidate, publisher of the Dayton Daily News and the Springfield News and Sun, is successfully applying radio to the newspaper business.

Associated with Governor Cox is his son, James M. Cox, Jr. They were the first station to broadcast the proceedings in a traffic court, which program is still on the air; the county, sectional and State basket-ball tournaments; the Dayton Ducks' ball games; the circuses which appeared there (both sponsored and with pack transmitter, interviewed side-show attractions); the first to describe major holiday and convention parades; the Soap Box Derby, which originated in Dayton; the Cincinnati Reds Baseball games, which were relayed to WPAY; The Dayton Speedway dirt track races; and other important civic events.

To boost the opening of the Tarzan of the Apes series on the station, they gave a Tarzan movie preview which attracted 15,000 children - and two squads of police to keep order.

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FARNSWORTH TELEVISION BROADCASTS TO BEGIN SOON

Television for reception by engineers and amateur experimenters in the Philadelphia area is to be put on the air within two weeks by the Farnsworth Television Corporation.

From a new studio and transmitter atop the highest part of Chestnut Hill, six miles from the center of Philadelphia, an attempt will be made to cover the city with image waves of 441-line definition, according to George Everson, representative of the organization. The site was chosen to ascertain if it is easier to supply an urban area with images from a suburban station, rather than with a transmitter atop a high city building. The wave length will be about 4.70 meters (62.75 megacycles), and the power 4 kilowatts.

Telepictures comprising 2,500,000 cycles will be relayed over a coaxial cable from the studio to the transmitter, a distance of two city blocks.

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BAR GROUP URGES BAN ON COURT BROADCASTS

Asserting that the nation's courts have been subjected to "increasing public censure for indecorum in the conduct of their sessions", the Judicial Section of the American Bar Association, headed by Chief Justice Carl Weygant of the Ohio Supreme Court, recommended at a Columbus, O., meeting last week:

"That no court permit its sessions to be interrupted by broadcasting or by taking photographs or moving pictures."

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SIX PROBLEMS STAND IN WAY OF TELEVISION'S DEBUT IN U.S.

Six problems remain to be solved before television may enter the American home, according to Albert F. Murray, Chief Television Engineer for the Philco Radio & Television Corporation, Philadelphia.

The problems are:

1. The next major step to be taken by the active workers in the field will be the conversion of transmitters to radiate 441-line signals in accordance with the recent adopted Radio Manufacturers' Association's television standards.
2. Technical standards for television transmission will have to be approved by the Federal Communications Commission, so that any receiver will receive from any transmitter within range.
3. The present limited range of television, averaging about twenty-five miles, will have to be increased. Key cities, such as New York, San Francisco, Philadelphia, Washington and Boston, will have television first.
4. Before we have commercial television the government will have to issue commercial licenses suitable for television - that is, in the 42-90 megacycle band.
5. A source of programs must be developed. In putting on a short sketch by television more is required in the way of costumes, rehearsals and stage properties than for any other known entertainment field. Actors can no longer read their scripts. Both appearance and voice are necessary for the television star. The problem of giving the American people television programs 365 days a year assumes staggering proportions, as far as personal energy and finances are concerned.
6. Reduction of cost of television receivers. Home receivers which will produce pictures of a quality equal to home movies, but smaller in size, probably will cost more than any of us care to pay. In England there is no great rush to buy television receivers now selling for from \$500 to \$600.

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TWO RADIO DEALERS SIGN FTC STIPULATIONS

Two Washington, D. C. retail radio dealers have entered into stipulations with the Federal Trade Commission to discontinue unfair trade representations in the sale of their products. The principal practice barred under the stipulations is the use of certain well known trade names in the radio manufacturing industry to designate products not made by the companies represented by such names.

Henry I. Scott, 1716 Pennsylvania Ave., N.W., trading as Gordon's Radio Shop, in his stipulation, agrees to stop using as a trade name or brand for his products, the word "Majestic", either alone or in connection with "International" or other words so as to imply that these articles are made by Majestic Radio and Television Corporation of Illinois, successor to Grigsby-Grunow Co., of Chicago, original manufacturer of "Majestic" sets.

Scott also agrees not to use the word "Victor" alone or in conjunction with "International" so as to imply that the products so designated are made by RCA Victor Co., Victor Division of the RCA Manufacturing Co., when such is not a fact.

Metropolitan Radio Co., Inc., 940 F St., N.W., will also cease a similar use of the designations "Majestic" and "General Electric", and also of the word "Sparta", or any other colorable imitation of the word "Spartan", alone or in conjunction with "Junior Universal", or with other words, so as to imply that sets so branded are made by The Sparks-Withington Co. of Ohio, when this is not a fact.

The sets so designated by each dealer were not the products of the well-known companies named, according to the stipulation.

The Metropolitan Radio Co., Inc., will also cease use in advertising of the word "metal" to describe radio tubes so as to imply that they are those products which have become known to the trade and purchasing public as "metal" tubes in which the technical elements are sealed in a vacuum in steel and in which the metal functions instead of glass, when such is not a fact.

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 ::: INDUSTRY NOTES :::
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WCR, New York, will open a Chicago office February 1st, to handle time sales for the station in the Chicago area and Middle West, according to announcement by Alfred J. McCosker, President of the station.

R. J. Barrett, Jr., who has had wide experience in sales, advertising and radio work, will be in charge of the Chicago office which will be located in the Tribune Tower. Mr. Barrett, who attended the University of Illinois, has been radio buyer for Blackett-Sample-Hummert, Inc.

A suit for \$25,000 and an injunction was filed last week in Federal Court, New York, by Time, Inc., publishers of Time magazine and the monthly motion picture, "The March of Time", against "The Voice of Time", 1 Park Place, New York City, a radio broadcast enterprise, charging trade-mark infringement and unfair trade practices.

Taking fullest advantage of the advertising possibilities, Station WGN, of Chicago, now carries a half-tone of the beautiful new Chicago Tribune broadcasting station on the envelopes of all letters written by the station.

Studios and offices of radio station WOL, Washington affiliate of the Mutual Broadcasting Co. last week were moved to new quarters at 1726 K Street, N. W.

Misrepresentation of the effectiveness of a medicinal preparation called "Zo-Bo-Lo" is alleged in a Federal Trade Commission complaint issued against Zo-Bo-Lo, Inc. of Ada, Ohio. The respondent was the user of radio advertising.

A favorable report on the application of A. Frank Katzentine, of Miami Beach, Fla., for a construction permit to erect and operate a broadcasting station on 1500 kc., with 100 watts power, unlimited time, was filed with the Federal Communications Commission this week by Examiner John P. Bramhall.

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ROCKEFELLER FELLOWSHIP GRANTED FOR RADIO STUDY

A fellowship for observation and training in network procedure at the National Broadcasting Company studios in Radio City, New York, has been granted to Allen Miller, head of the University Broadcasting Council of Chicago, by the General Education Board, a Rockefeller Foundation.

The fellowship, which becomes effective on January 15th, was granted under an extension of the successful arrangement by which university students and representatives of university broadcasting stations were assigned by the General Education Board to the National Broadcasting Company for study last Fall. This study included a month's work at an NBC branch station and five months' work in NBC's Radio City studios.

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SCHWANK HEADS NEW RCA MANUFACTURING DIVISION

Mr. J. L. Schwank, for more than 20 years with Atwater Kent, is now head of the Engineering Products and International Divisions of the RCA Manufacturing Co., Inc., at Camden.

Mr. Schwank began his career with the Philadelphia Electric Company, and remained there fourteen years, seven of which were spent as Chief Test Officer in the laboratory, and an additional seven in the operating engineering department.

In addition to being an engineer, Mr. Schwank studied law and was admitted to the Patent Bar.

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EX-AIDE TO LOHR WILL HEAD NBC TELEVISION

C. W. Farrier, architect and engineer, prominent among those putting over the Chicago World's Fair and at present in an important post in the TVA, with headquarters in Nashville, has been appointed by David Sarnoff to take full charge of NBC television, according to a report from Chicago. When with the Chicago Fair, he held the title of assistant to Lenox Lohr, in charge of special events.

Mr. Farrier will resign the TVA post January 16th, with his new appointment taking effect January 25th, the report stated.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

RECEIVED
JAN 16 1937
WAYNE L. RANDALL

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FCC ENGINEERING REPORT URGES MODERNIZATION, NO RADICAL CHANGES

Establishment of six classes of broadcasting stations, retention of at least 25 clear channels for exclusive use of high power stations, a minimum power of 50 KW for clear channel outlets, and general modernization of Federal Communications Commission engineering regulations are proposed in a voluminous report submitted to the Commission this week by its Engineering Department.

Based on the October broadcast band hearings, the "preliminary" report suggests no radical shake-up in the present broadcasting system. On some of the more controversial issues, such as the advisability of setting up more super-power stations like WLW, Cincinnati, the department asks for further instructions in view of the economic factors involved.

In its recommended classification of stations, the FCC engineers make provision for higher power all along the line but leave the Commission free to act in each individual case by suggesting a wide range in power for each class of transmitters.

The report has not been acted upon by either the Broadcast Division or the full Commission. A supplementary report will be submitted shortly covering the economic and social factors involved in the allocation of broadcasting frequencies, T.A.M. Craven, Chief Engineer, stated in the preliminary report.

Commander Craven asked the Commission not to make any final decisions before seeing the supplementary report.

The general conclusions of the FCC engineers, together with a summary of their recommendations, follow:

"In general, based upon the evidence given at the hearing, the Engineering Department is of the opinion that from an engineering standpoint the existing system of allocation of frequencies within the broadcast band 550-1600 kc. which was inaugurated in 1928, is sound, particularly with reference to the fundamental 10 kc separation between channels and the use of both clear channels and shared channels to render service to the nation. However, in view of the information which has been accumulated since 1928, and in view of technical improvements as well as an increasing demand for better facilities, there is need for an improvement in the engineering features of the structure as well as in some of the standards of engineering practice which have been followed hitherto.

"In making this report the Engineering Department desires to make clear the fact that we have not endeavored to determine who should or should not be the licensees of radio stations, because this is primarily a matter of policy which the Commission will decide for itself. Our thought on this subject of allocation has been prompted primarily from the standpoint of sound engineering, and to this end we have made it our mission to ascertain how to make the best technical use of the very limited radio spectrum between 550-1600 kc so that the entire public may receive the maximum service both of transmission and reception, regardless of who may be the licensees of the various transmitting stations. In other words, we have felt that if the basic allocation engineering within this limited spectrum were such as to make possible the greatest number of stations properly distributed geographically, and each capable of rendering technically a good service to the public, there would be made available in all sections of the country the maximum possible facilities for the Commission to license or to continue to license whomever it feels should and could operate stations."

"Following is a summary of the Engineering Department's conclusions, recommendations and requests for instructions with respect to the broadcast band 550-1600 kc:

"(1) We believe that while the engineering principles of the allocation structure of 1926 are basically sound, technical progress, operating practice and the accumulation of new data since 1928 indicate conclusively that modifications are needed and that improvements can be made which, from a technical standpoint, will result in better broadcasting service to the public. We recommend that these modifications be made by revising the existing rules, regulations and standards of good engineering practice.

"The Engineering Department's proposals for modification would not change the 10 kc separation between channels, nor would it change fundamentally the conception as to the use of both clear channels and shared channels to render service to the nation. In the latter respect the recommendations tend toward the modification of the number of frequencies made available to each class of station.

"(2) As to the general procedure for making modification of the allocation structure, we believe and recommend that the Commission should continue its existing policy of evolution and experimentation through voluntary action of applicants rather than by enforced costly radical changes. The reasonableness of the details of any of the new rules and regulations could well be the subject of formal hearings after due notice is given of the effective date of the new rules. Applicants desiring to take advantage of the improvements made possible by the new rules might have their applications granted or designated for hearing, depending upon the facts in each individual case. In any event, the present prescribed legal procedure of the Federal Communications Commission could be maintained.

"(3) We recommend that the new rules be inherently flexible so as to permit practical adaptation of sound engineering to individual cases in accord with economic and social needs.

"(4) We suggest for consideration by the Commission the use of ultra high frequencies to assist in the solution of the educational broadcast problem.

"(5) We recommend six classes of broadcast stations in the band 550-1600 kc with powers as outlined in the following. The exact definitions will be submitted later by the Law and Engineering Departments, provided the general policies herein are approved:

<u>Class</u>	<u>Comparison</u>	<u>Purpose</u>	<u>Night Power</u> <u>1/</u>
A	Similar to clear channel stations	To include remote rural coverage	Not less than 50 kw
B <u>2/</u>	Similar to clear channel stations except other stations use channel so as to protect secondary coverage dominant station.	To include rural coverage	10 to 50 kw
C	Similar to high power regional stations	Large metropolitan <u>district</u> coverage as well as limited rural coverage.	5 to 50 kw
D	Similar to regional stations	Metropolitan <u>dis</u> <u>trict</u> coverage.	1 to 5 kw
E	Similar to existing regional stations separated by relatively short distances	City coverage	.5 to 1 kw
F	Similar to local Stations	City or town coverage	0.1 to 0.25 kw

1/ The power for each station of a class is to be determined individually upon showing of need and proper consideration of channel conditions with respect to interference.

2/ The class of stations which will use the same channel as Class B stations and protect the latter's secondary coverage, are in general Class D or Class E stations, located at sufficient distance from Class B stations to enable proper service to be rendered in accordance with the standards of good engineering practice. It may be possible in some instances to permit Class C stations to use Class B station channels.

"(6) We request the Broadcast Division to designate which frequencies should be assigned to each class of station. In this connection we are ready to submit a separate memorandum setting forth the conditions existing on each frequency. This separate memorandum will assist the Division in designating frequencies to be assigned each class of station. We recommend that the following number of channels be assigned to the various classes of stations in the band 550-1500 kc.:

<u>Class</u>	<u>*Number of channels</u>
A	Not less than 25
B	Approximately 5
C	" 14
D	" 30
E	" 10
F	" <u>6</u>
	Total 90

*The foregoing numbers exclude the frequencies now assigned exclusively to Canada.

"With reference to the band 1510-1600 kc., we suggest that the Commission has three courses of action open to it, depending upon which policy the Commission desires to follow:

- "1. To assign all 10 channels in the band 1510 to 1600 kc. to Class F stations. In our opinion, while this provides the maximum number of stations, it does not in all cases provide a facility which will enable service to be rendered to all of an area requiring service.
- "2. To assign all 10 channels to Class D stations. This would permit only a few of the cities which do not now have a station to secure facilities. It would, however, in the relatively few individual cases afford a facility capable of performing an adequate service to a large community.
- "3. To distribute the 10 channels to Class D, E and F stations. This would enable a large number of cities to be served and at the same time permit a degree of flexibility in utilizing facilities in a manner which may be required in individual cases. A division such as 3 channels to Class D, 4 channels to Class E and 3 channels to Class F might be suitable, or else 3 channels to Class D and 7 channels to Class E, in which the power range may be more suitable for individual areas, would be an effective engineering solution to the problem. Instructions in this matter are requested.

"(7) We recommend that when the Commission is satisfied a frequency assigned to one class of station has been utilized to the fullest and proper extent by stations of such class, that stations of another class be permitted to use the said frequency, provided the latter does not cause objectionable interference,

either to the good coverage of any station regularly licensed on the frequency or jeopardize the specified use of the channel, and provided further that the new stations shall be able to render service consistent with the standards of good engineering practice.

"(8) We recommend that when licensing new stations, or when increasing the power of an existing station of any class on a channel assigned to such class, due regard should be given to the standards of good engineering practice, particularly with reference to the interference that may be caused within the good service areas of other stations of the same class on the channel in question.

"(9) We recommend that the band 1510-1600 kc be opened for Class D, E or F stations, depending upon the policy to be determined by the Commission with respect to the number of additional stations and the type of service they should render.

"(10) We recommend that all stations except Class A operate simultaneously on shared channels at night, and whenever practicable, use methods to increase service and reduce interference.

"(11) We believe that two 50 kw stations separated by great distances and operating simultaneously at night on the same channel, are capable of rendering a service to a limited area, particularly if directional antennas are used. However, we do not recommend the universal duplication of all existing clear channel stations located on the coasts. We have recommended the retention of at least 25 clear channels permanently, and caution in duplicating other such channels, pending a North American arrangement.

"(12) We believe that directional antennas are feasible, but we recommend the careful and studied application of these antennas in individual instances.

"(13) We recommend against the general application of synchronization, but suggest it can be applied in certain instances to assist in increasing coverage of low powered stations.

"(14) While we believe that powers in excess of 50 kw on clear channels are technically sound and are in accord with scientific progress, we recognize that social and economic factors involved in the use of 500 kw may outweigh in importance engineering considerations, and request instructions from the Division as to its desires with respect to regulations on the question of super-power. We feel that, in the matter of super-power, the Commission should give full consideration to our report summarizing the economic testimony in the October 5 hearing prior to making a decision.

"(15) We feel that there is a need for increased signal intensity and have recommended that in general power increases are required to better the service to the public. However, we recommend that the regulations in this respect be sufficiently flexible to

permit the Commission to judge each individual case upon its merits, particularly as to the needs and economic and social circumstances.

"(16) We believe that from an ideal standpoint the "bloc" system of allocation to classes of stations may reduce the disadvantages of a disparity in power between stations on adjacent frequencies, but because of practical considerations, we do not recommend a radical change in allocation to accomplish this scientific ideal.

"(17) We recommend against the establishment of standards of receiver selectivity and fidelity, but instead we recommend incorporation in the standards of good engineering practice the basis of receiver performance which is utilized in arriving at necessary ratios between desired and undesired signals to avoid objectionable interference.

"(18) We suggest the paramount importance of economic and social factors in the determination of the distribution of facilities to licensees in any section of the country, and state that a separate report will be submitted giving in detail a summary of the evidence presented at the October 5 hearing. We hope the Commission will consider this summary of evidence before making final decisions.

"(19) We recommend against changing the existing requirements with respect to frequency stability, modulation, harmonics and power determination.

"(20) We suggest proceeding in an evolutionary manner toward the improvements in the broadcast band 550-1600 kc without endeavoring to await developments in other bands of frequencies, because we feel that the public needs the possible technical improvements in the existing broadcast service.

"(21) We recommend that the present empirical standards be revised and issued in the form of "standards of good engineering practice" and used as a guide in administration and in testimony when no better evidence is available."

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COPELAND REINTRODUCES BILL CONTROLLING RADIO AT SEA

A bill to amend the Communications Act of 1934 for the purpose of promoting safety of life and property at sea through the use of wire and radio communications and to make more effective the International Convention for the Safety of Life at Sea, 1929, was reintroduced this week by Senator Copeland (D.), of New York.

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CONNERY DEMANDS BROAD RADIO AND FCC INVESTIGATION

A broad inquiry into charges of "irregularities" and "monopoly" in the broadcasting industry and its administration by the Federal Communications Commission was demanded this week by Representative Connery (D.), of Massachusetts, in a House Resolution (No. 61).

Mr. Connery made a similar demand last year, but his resolution was successfully pigeon-holed by the House Rules Committee, of which Representative O'Connor, of New York, a former colleague of Anning S. Prall, Chairman of the Federal Communications Commission, is Chairman.

The Massachusetts member, an ardent labor spokesman, proposed that the inquiry be made by seven members of the House, to be named by the Speaker, and suggested in a supplemental statement that he be appointed Chairman.

The House Rules Committee is expected to try to forestall the inquiry again this year. Its success will depend upon the pressure that is brought to bear by friends and foes of the FCC and the broadcasting industry.

The Connery resolution in a preamble states "there is reason to believe that contrary to the intent and spirit, as well as the language of the laws in force, a monopoly exists in radio broadcasting"; that "certain types of programs . . . are allegedly indecent"; and "it is contrary to public policy . . . to allow any private groups to traffic in property reserved to and for the people."

The Special Committee would be "authorized and directed to inquire into and investigate the allegations and charges that have been or may be made relative to irregularities in or pertaining to the monopoly which exists in radio and the activities and functions carried on under the Communications Act of 1934 and all matters pertaining to radio and radio broadcasting."

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FCC ASKS \$350,000 TO CONTINUE TELEPHONE INQUIRY

For the purpose of continuing the inquiry into the American Telephone & Telegraph Company, the Federal Communications Commission this week asked of Congress through the Budget Bureau, \$350,000 in a supplemental appropriation.

The FCC explained that of the \$300,000 appropriated in the first Deficiency Act of 1936, \$335,000 has been obligated, leaving a balance of \$65,000.

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RADIO ADMINISTRATION SEEN RETURNING TO COMMERCE DEPARTMENT

Return of the administration of radio and other forms of communications to the Commerce Department, which nurtured it in its infancy, was forecast this week as one of the ultimate results of the President's plan for reorganization of the executive departments.

While the plan is facing considerable opposition in Congress and may be altered before being adopted, it now provides for the abolition of all independent commissions.

The Federal Communications Commission consequently would disappear as such and its functions would be absorbed by the Commerce Department. It is not unlikely, however, that most of the personnel and some of the Commissioners would be retained in the transfer.

The reorganization plan proposed that the duties of independent commissions be divided. One section would handle all administrative and licensing details, while the other section would constitute a Board of Review and would comprise the present Commissioners.

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FRANK ARNOLD HEADS RCA INSTITUTE'S TECHNICAL PRESS

The appointment of Frank A. Arnold, prominent for many years in broadcasting circles, as Managing Director of the RCA Institutes' Technical Press, was announced this week by Charles J. Pannill, President of the RCA Institutes.

Mr. Arnold's work in the broadcasting field began in 1926, when he became Director of Development for the newly-formed National Broadcasting Company. In this position, he became one of the most widely known executives in radio broadcasting and was responsible for the formation of many NBC policies which since have become part of the enormous advertiser and listener structure of that company. He is the author of many books and brochures on radio advertising and analysis of public response to programs.

In his new work, Mr. Arnold will direct publication of the RCA Review, a quarterly journal of radio progress, which numbers among its subscribers leading radio, sound and optical engineers in more than 70 countries. The RCA Institutes Technical Press, a department of RCA Institutes, Inc., the oldest radio technical school in the United States, also publishes books and other data dealing with television and many related electronics subjects. The new director comes to this work from the Institute of Public Relations, Inc., of which he has been Vice-President for the past year.

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PAYNE SUCCEEDS CRUSE IN COMMERCE DEPARTMENT POST

As predicted last week in the Heintz News Letter, John H. Payne, formerly with Westinghouse Company, this week was appointed Chief of the Electrical Division, U. S. Bureau of Foreign and Domestic Commerce. He succeeds Andrew W. Cruse, who transferred to the Federal Communications Commission as Assistant Chief Engineer.

Mr. Payne had the endorsement of several trade organizations, including the Radio Manufacturers' Association.

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NETWORK BILLINGS NEAR \$60,000,000 FOR LAST YEAR

Representing an increase of 19.1 percent over 1935's gross revenue, time sales by the three major networks - NBC, CBS and Mutual - amounted to \$59,679,671 in 1936, constituting the largest income of networks they have yet enjoyed. Their returns in 1935 were \$50,079,838.

Of the 1936 total \$34,523,950 was billed on NBC-Red and Blue networks; \$23,168,148 on CBS, and \$1,987,573 on Mutual. Included in the 1936 billings is about \$2,000,000 spent by political parties during the presidential campaign.

CBS reported its 1936 figures as 31.4% greater than 1935; NBC is up 10.8%, and Mutual reports the largest percentage increase over 1935, 53.7%. A breakdown of the NBC networks reveals that the Red had yearly receipts of \$22,645,527 and the Blue \$11,878,423.

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WESTINGHOUSE STATIONS FORM NEW CORPORATION

Formation of the Westinghouse Radio Stations, Inc., by the Westinghouse Electric and Manufacturing Company was disclosed this week in a statement filed with the Securities and Exchange Commission. Westinghouse introduced radio broadcasting as it is known today in 1920, through KDKA, the first one to operate on a daily schedule.

The new company is expected to play a part in the operation of the Westinghouse chain, which consists of four stations, including KDKA. The statement related that Westinghouse bought all the outstanding capital stock of the Main Auto Supply Company of Indiana on August 1st and that the name was changed to Westinghouse Radio Stations, Inc., two days later.

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NEW STATION FOR RICHMOND, VA., IS AUTHORIZED

Reversing Examiner John P. Bramhall, the Federal Communications Commission this week granted a construction permit to the Times-Dispatch Co., Richmond, Va., newspaper publisher, for a new broadcasting station to operate on 1500 kc., with 100 watts power, unlimited hours. The order is effective February 2nd.

The Commission at the same time denied a permit to the Century Broadcasting Co., of Richmond, and authorized WMBG, Richmond, to move its transmitter, install new equipment, and transfer from 1210 to 1350 kc., increase power to 500 watts, and hours to unlimited.

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LA GUARDIA SEEKS NON-COMMERCIAL NETWORK

New York's Mayor La Guardia hopes to link the country's non-commercial radio stations into a new broadcasting chain, with the municipal station WNYC as one of the links.

He outlined the plan this week at the annual meeting and luncheon of the Municipal Art Committee in the Rainbow Grill, Rockefeller Center, according to the New York Times. As yet, he explained, there are not many non-commercial radio stations in the country, but enough exist to form the nucleus of a system devoted to educational and cultural activities.

Inter-station communication would be accomplished by short wave, the Mayor explained, pointing out that technically this method was now practicable. The stumbling block in realizing the plan, however, has been a ruling of the Federal Communications Commission, which he hopes will be changed, he added.

"During the Harvard Tercentenary we tried to rebroadcast over WNYC one of the programs sent to the Municipal Station from Harvard by short wave, but were prevented by the Federal Communications Commission. This body ruled that where a telephone line was available for interstation communication, short-wave could not be utilized. Such a ruling is as absurd as insisting that where railway lines run between two cities, travelers may not use airplanes."

Mr. La Guardia pointed out that WNYC's facilities would soon be much improved when a new broadcasting plant in Greenpoint was put in operation. This has been erected with PWA funds.

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ZENITH VOTES 50 CENTS A SHARE FOR THIRD QUARTER

Directors of the Zenith Radio Corporation, Chicago, this week voted a dividend of 50 cents a share for the third quarter of the fiscal year, which ends January 31st, according to Commander E. F. McDonald, President.

Zenith sales for this year are running 100 percent above last year, he said, which was the company's biggest profit year.

The Chicago company will move February 15th into its new plant at Dickens and Susten Avenues, Commander McDonald said, but auto set production will continue in present quarters.

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COMPETITION INTENSE IN CUBAN RADIO MARKET

The extent of the competition in radio receiving set market of Cuba is indicated in a report to the Commerce Department from the American Commercial Attache at Habana.

During the month of November, the report shows, no less than 32 different makes of radios were included in the import returns. The only non-American make of any consequence now sold in the Cuban market is the Dutch radio, "Philips."

According to private compilations from ships' manifests, imports of radio receiving sets into Habana during November amounted to 3,414 units, valued at \$84,198, compared with 3,436 units, valued at \$98,903, in October, and 3,419 units, valued at \$90,303 in November, 1935, the report states.

Local distributors throughout Cuba express the view that the outlook for sales of radio sets during the coming season is very favorable, according to the report.

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The Federal Communications Bar Association this week recommended establishment of a Motions Court by the Federal Communications Commission's Broadcast Division to assist in maturing cases for hearing.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

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JAN 20 1937

W. H. R. DALL

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CELLER TO SPONSOR BILL FOR U. S. SHORT-WAVE STATION

A Government-owned Pan American short-wave station, which has been in the offing for several years, appeared a step nearer reality this week as Representative Celler (D.), of New York, disclosed that he will introduce a bill to establish it.

Congressman Celler apparently has become interested in the project through George Henry Payne, the Federal Communications Commissioner, who only a fortnight ago reiterated a charge that a "Washington radio lobby" is attempting to take away from the Federal Government the five short-wave frequencies allocated for the station.

In an address at Harvard University, Commissioner Payne recalled that an Executive Order had been issued by the President allocating five short-wave frequencies for the Pan American station, that the Berne Bureau had been notified, and that an engineering survey had been made. There the matter had stopped for more than a year. He further charged that certain commercial interests have been responsible for blocking the project and were now trying to get possession of the frequencies.

The five frequencies which were set aside for the station following the Pan American conference in Montevideo in 1932 are: 6120, 9550, 11730, 15130 and 21500 kc.

Columbia Broadcasting System's W2XE, New York, uses 6120 kc. on a "loan" from the Navy.

Representative Celler's proposal, which is said to have the endorsement of administration officials, calls for the construction of a short-wave transmitter in or near Washington at a cost of approximately \$750,000. Some \$50,000 would be appropriated yearly for the maintenance of the station and the preparation of programs.

Sponsors of the station have indicated they will appeal for support of the project on two grounds: viz., that the broadcasts will seek to improve further the goodwill between the Latin Americas and the United States, just revived by President Roosevelt's South American tour; and that the station will be able to offset foreign propaganda from European short-wave transmitters now directing programs to South and Central America.

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The Pan American station project, moreover, is in line with the move of the National Broadcasting Company and the Columbia Broadcasting System to transmit programs especially to Latin America.

Only a few months ago the Commerce Department criticized the American short-wave stations for, in effect, ignoring the South American market and permitting European short-wave stations to get the jump on this country.

A report from the U. S. Trade Commissioner at Buenos Aires stated that European short-wave broadcasts were being heard in South America better than American stations. At least five European stations, the report said, were heard regularly by South Americans.

Since then both NBC and CBS have inaugurated new services designed for South and Central America.

Broadcasters are disturbed, however, by the possibility that establishment of a government-owned Pan American station may open the way for additional government-owned stations, possibly in the long waves.

The Office of Education, it is pointed out, is becoming increasingly interested in the educational uses of radio and will be equipped with a modern studio in the new Interior Department Building.

The Educational Radio Project, sponsored by the Office of Education with WPA funds, now has four educational programs going out on commercial stations.

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CULKIN'S DRY BILL INCLUDES WINES AND BEER

Representative Culkin(D.), of New York, introduced a bill this week to bar the radio advertising of not only liquor but beer and wine as well. The bill reads, in part:

"No persons shall broadcast by means of any radio station . . . or permit any advertising or information concerning any alcoholic beverage, whether beer, ale, wine, gin, whiskey, brandy or by any other name."

The penalty provided is a fine of from \$500 to \$1,000 and imprisonment of from three months to a year for each day's offense.

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GENERAL INCREASE IN BROADCASTING POWER IS EXPECTED

A general upward trend in power of broadcasting stations is expected to result from the recommendations of the Engineering Department of the Federal Communications Commission last week. The question of whether more "super-power" outlets with 500 kw., now used only by WLW, Cincinnati, will have to be decided by the Commission on the basis of economic rather than technical factors.

Commander T.A.M. Craven, Chief Engineer, in discussing the power question said:

"In general, the trend of all engineering testimony was toward higher power for all classes of stations. It was clearly indicated that in general the existing empirical standards of the Engineering Department with reference to signal intensities required for good service should be used as a minimum and that in many instances there is needed a higher order of signal intensity to overcome the noise level in cities and the noise level in rural areas, particularly during the Summer and in the southern sections of the country.

"The only way to secure increased signal intensity is by increase in radiated power. However, it should be clearly understood that if the power of all stations were increased generally, the interference which now exists would remain exactly the same insofar as the distance from each station is concerned, and there would be no increase in good service areas free from interference at night unless means were taken to avoid such interference.

"In the opinion of the Engineering Department, and in view of modern technical developments, it would seem desirable that if power were to be increased at various stations, an attempt should be made from the standpoint of interference to secure an additional improvement in service to the public over and above increased signal intensity within existing interference boundaries. This, of course, could not be accomplished in all cases, but in each individual case advantage might be taken of practical opportunities which might exist to secure the service of increased signal intensity which might benefit the local listeners and at the same time create less interference to listeners of a distant station.

"The greatest controversy and difference of opinion existed with respect to power greater than 50 kw. However, with but one exception, all engineers who testified admitted that where side channel interference was not a factor, powers on clear channels in excess of 50 kw. would be a technical advance and would result in an increased signal intensity to remote areas. It is also clear to the Engineering Department that from a technical standpoint any power less than 50 kw. on

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a clear channel is a wasteful use of such frequency on the North American Continent.

"Judging from the testimony, the Engineering Department is of the opinion that social and economic factors involved in powers in excess of 50 kw. are of paramount importance and in our opinion may outweigh engineering considerations in the final determination of this subject by the Commission.

"The Engineering Department is of the opinion that if the Commission accepts the doctrine of clear channel stations, all such stations should employ sufficient power to justify the use of a single channel at night by only one station and that this power should not be less than 50 kw.

"In connection with this question of super power, we are preparing a separate report giving a detailed analysis of the voluminous testimony in the record with respect to the economic phases involving costs, earnings and other facts which may be of assistance to the Commission in its final determination of increases in power. We feel that these facts are important and that the Commission should await its final decision pending the completion of this summary of the evidence."

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SEC INFORMED OF NEGRO NETWORK PROJECT

Construction and operation of a network of stations soliciting Negro listeners is proposed by the Gold Star Radio & Television Corp., 412A, Massachusetts Avenue, Boston. It has notified the Securities & Exchange Commission of its intention to issue stock to finance the project.

The SEC application states that the company is chartered to engage in a general radio and television business. It was incorporated Sept. 28, 1936, in Massachusetts, with Charles Henry Davis, Jr., 538 Tremont St., Boston, President and Director.

Five stations are planned, using directive antenna, in New York, Chicago, Philadelphia, New Orleans and Los Angeles, each to cost \$100,000, including \$55,000 reserve for one year's operation, the application states. The stock issue would consist of 99,795 shares of Class A common stock with \$5 par to be offered at \$6.25. Of this \$1.25 per share will cover expenses of the fiscal director, it is stated.

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FINCH UPHELD BY APPEALS BOARD ON FACSIMILE

An attempt by Maurice Artzt to block reissue of a basic patent on radio facsimile to William G. H. Finch, President of Telecommunications, Inc., New York City, has been defeated by a patent office Board of appeals ruling which holds the Finch apparatus involves features not embraced in disclosures previously made and that he is therefore entitled to a patent.

Radio Corporation of America is the party in interest in the interference made against Finch, Artzt having assigned his right to RCA after he applied for a facsimile patent in 1931. Finch was granted his patent in 1934 and later asked reissuance on the basis of amplified claims.

The effect of this decision is to safeguard Finch's patent facsimile patent unless a new appeal is successfully prosecuted before the U. S. Court of Customs and Patent Appeals.

If the Patent Office is not reversed, Finch will be placed in a position to collect royalties from all users of the method described in his application. This does not mean, however, that patents cannot be issued for other facsimile apparatus but none can be granted for types which employ any of the more than 47 claims proved by Finch.

Mr. Finch announced this week that he has been granted two important additional patents for improvements on his radio facsimile receiving system. They cover local energization for picture recording controllable by the facsimile signals and also a method whereby a transmitted picture may be etched directly upon a zinc plate by the recording stylus, thus eliminating the photographic steps at the receiving end. From these plates newspaper mats can be made or the plates themselves may be used for newspaper reproduction, the patent states.

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CBS INAUGURATING LATIN-AMERICAN SERVICE

The Columbia Broadcasting System is preparing to inaugurate a series of specially prepared short-wave broadcasts to Central and South America from a new 10 kw directional antenna station W2XE, Wayne, N. J. The time will be from 6 to 10 P.M., EST, on a directional transmission and an additional hour on non-directional.

The CBS Program Department has been instructed to line up all available Latin American talent. Programs will probably consist of news commentaries, musical talent, etc. Several of CBS' sustaining shows have heretofore been short-waved through but there was no set schedule. The policy will be regular in schedule.

The National Broadcasting Company already has started a short-wave program service to Latin-America.

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Handwritten notes:
D. S. ...
Columbia
CBS
on 7/1

SCOTT REINTRODUCES BILLS FOR PUBLIC TIME ON RADIO

Bills seeking to compel broadcasting stations to set aside regular periods for "uncensored" public forums and educational purposes and to keep records of requests for time were reintroduced in the House this week by Representative Scott (D.), of California.

The major measure, which would amend Section 315 of the Communications Act, specifies that the time so allocated be "at desirable times of the day and evening" and be used "for uncensored discussion on a non-profit basis of public, social, political, and economic problems, and for educational purposes."

As in political addresses, the station would be required further to grant equal time for speakers who hold contrary views.

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RADIO "DIVINING ROD" DEMONSTRATED IN RADIO CITY

A radio "divining rod", which locates hidden metal objects in the earth and measures the depth of pipes and cables without the use of electrical connections, was demonstrated last week in the outdoor garden of Horticultural Hall, on the eleventh floor of the FCA Building, Rockefeller Center, New York City.

Despite the large number of metal beams and girders inside the walls and floors of the building, a newspaper representative who donned the earphones and carried the "divining rod", easily located a metal chest buried a foot under the surface of the earth in one of the outdoor gardens. It was explained that the proximity of large masses of metal in the building complicated the location of a single smaller metal object.

Notwithstanding the handicap, the newspaper man, who was ignorant of the location of the object, easily found the spot by the maximum sound heard in the earphones. Then the head gardener dug up the chest, which was filled with old coins and metal checks.

The device, known technically as the "M-scope", or "metal-scope" is the invention of Dr. Gerhart R. Fisher, Director of the Fisher Research Laboratories, Palo Alto, Cal.

The "M-scope" consists of two boxes, each about fifteen inches square and three inches thick. In one box is a small radio transmitter generating very short waves. The other box operates as a receiver.

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EDUCATIONAL GROUP CALLS RADIO PARLEY SUCCESSFUL

The first National Conference on Educational Broadcasting, held in Washington, D. C., December 10-12, was definitely successful as an overview of current practises in educational broadcasting", Education by Radio, a bulletin of the National Committee on Education by Radio, declares in its January issue. "It reflected what seems to be a general approbation of the present system of broadcasting, but introduced enough criticism to indicate that room for much improvement still exists. It avoided, in accordance with the wishes of the eighteen sponsoring organizations, any attempt to pass resolutions or to agree upon conclusions. It moved with a smoothness which reflected great credit upon its managers.

"The general sessions, taken as a whole, contributed little towards a solution of the problems which sooner or later must be faced in broadcasting. This suggests that whether another conference is to grow out of the recent one or is called 'de nouveau' at some future time more emphasis might well be placed on analyzing specifically the remaining problems. In this connection it might be suggested that the fruitfulness of such a conference could be enhanced by applying the recognized forum procedure and allowing the immediate and direct questioning of speakers."

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NEW MAGAZINE TO PRINT NEWS THAT CAN'T BE AIRED

A new magazine, The Commentator, will enter the pocket-size edition field with its appearance on the news-stands January 20th. Edited by Lowell Thomas, war correspondent and radio commentator, this new publication will accept no advertising, will sell for twenty-five cents per copy, and is to be published monthly.

Differing from many magazines in the pocket-size field, The Commentator will not reprint excerpts or literary passages from other publications, but with Lowell Thomas' associates in the field of American commentators, it will produce highlights of vital news facts that cannot be divulged over the air.

Editorial associates of Lowell Thomas are: John B. Kennedy, author, editor, and commentator of note, advisory editor.

H. V. Kaltenborn, whose name is known to millions of radio listeners and magazine readers and others.

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RADIO TELETYPES REPLACING WIFES ON AIR LANES

Substitution of radio teletype machines in place of the leased wire system now in effect, seems likely for the Bureau of Commerce's extended communication system in the near future. After nearly two years of successful experiment, a test installation is being made on the new Washington to Nashville airway.

The impending change would mean that weather conditions and probably Department of Agriculture market reports and Weather Bureau detailed reports would be transmitted throughout the country by radio teletype. At present the Bureau of Air Commerce has leased wires covering the continental United States carrying regular aviation weather reports.

Developed by W. E. Jackson, Chief of the Radio Development Section and J. C. Hromada, Bureau radio engineer, the new teletypes have already proved their utility on an experimental basis. Last October the system was demonstrated at Silver Hill, Md., where since the machines have been operating in communication with a station at Baltimore.

The installation of the equipment on the Washington to Nashville airway was decided upon by Bureau officials in October, following the Silver Hill demonstration. Cost of installation will be approximately \$200,000. The project is expected to pay for itself within three years by savings on toll charges for leased wires.

If the experiment proves financially sound, air experts predict it will mean an end to the present system of leased wires, with a considerable saving to the Bureau.

In transmitting a message by radio teletypewriter, the operator types his dispatch on a regular teletypewriter machine similar to those used for land wire circuits. As he strikes a letter, the machine completes a series of contacts which set up electrical impulses transmitted over the air as code dots and spaces. The radio receiver at the other end of the circuit translates the radio impulses back into letters, the message being printed the same as in wire teletypewriting machines.

The system provides for rapid transmitting, the radio impulses traveling with the speed of light. Moreover, the wavelength used is of such high frequency that ordinary static has no effect on transmitting and receiving. According to Bureau officials, only a bolt of lightning, striking very near a transmitting or receiving station, would interrupt communications. Even then, according to officials, the interruption will only be momentary.

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BROADCASTING FILES ANSWER TO PAYNE LIBEL SUIT

Contending that the statements of fact made in its editorial were true and the expressions of comment were fair and made in good faith, Broadcasting last week filed in the District Court of the United States for the District of Columbia, its answer to the \$100,000 libel suit of George H. Payne, Republican member of the Telegraph Division of the Federal Communications Commission. Mr. Payne had charged damage to his "good name, fame and credit" by virtue of the editorial titled "Strange Interlude" published in the October 15th issue of Broadcasting.

The answer was filed by William E. Leahy and Paul M. Segal, Washington attorneys, in behalf of Broadcasting Publications, Inc., Martin Codel, publisher, and Sol Taishoff, editor, who were named as defendants. The plaintiff, in his suit filed December 7th, asked \$50,000 as compensatory damages and \$50,000 as punitive damages through attorney Ellsworth C. Alvord.

The answer categorically denied contentions of injury to the Commissioner. The major contentions were summed up as follows: "The statements of fact contined in the said article complained of in the declaration were true, and the expressions of comment and criticism therein upon the said facts were fair comment on, and criticism of, matters of great public interest, and concern made in good faith and without malice."

The Payne suit recalls a remark attributed to a henchman of the late Senator Penrose, of Pennsylvania, to the effect, "Don't never sue nobody for libel because they might prove it on you."

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FITCH NAMED BUSINESS MANAGER OF NBC PROGRAM DEPARTMENT

C. W. Fitch, Manager of Personnel for the National Broadcasting Company since last September, has been appointed Business Manager of the NBC Program Department. Mr. Fitch already has assumed his new duties, which consist of handling the personnel, budgets and all problems connected with the administration of the Program Department. At present, he is spending several days with each division of the department to acquaint himself with their various activities.

Before joining NBC, Mr. Fitch resigned as Assistant Director of the Housing Division of the Public Works Administration, a post he took in 1935. From 1930 to 1935, he was associated with A Century of Progress in Chicago as Director of Exhibits and assistant to the General Manager, Major Lenox Lohr, now President of NBC.

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RADIO NOTABLES ENJOY ALFALFA FRLOIC

Leaders in the radio industry were among those who enjoyed the Twenty-Fourth Annual Dinner of the Alfalfa Club in Washington, D. C. last Saturday night. As usual, Gene Buck, President of the American Society of Composers, and Vice-President of the Alfalfa Club, was in charge of the vaudeville part of the program and brought with him a number of well-known entertainers from New York.

The radio industry was represented by the following:

Thad H. Brown, Federal Communications Commissioner; Louis G. Caldwell, former General Counsel, Federal Radio Commission; Harry C. Butcher, Vice-President, Columbia Broadcasting System, Washington; Norman S. Case, Federal Communications Commissioner; Lewis M. Crosley, Crosley Radio Corporation, Cincinnati; Walter Damm, Station WTMJ; Ewin L. Davis, Federal Trade Commissioner; Col. Manton Davis, Radio Corporation of America; Charles K. Field, New York City; Donald Flamm, President, WMCA, New York City; John W. Guider, radio counselor, Washington; William S. Hedges, Crosley Radio Corporation, Cincinnati; Thomas P. Littlepage, Sr., radio counselor and former past President of the Alfalfa Club, John M. Littlepage, Thomas P. Littlepage, Jr. and James Littlepage, Washington; Anning S. Prall, Chairman, Federal Communications Commission; John B. Reynolds, Acting Secretary, Federal Communications Commission; Frank M. Russell, Vice-President, National Broadcasting Company, Washington; Kurt Sell, German Broadcasting Company; former Senator James E. Watson, of Indiana; Judge E. O. Sykes, Federal Communications Commissioner; Senator Wallace H. White, of Maine; and Frank Wozencraft, Radio Corporation of America.

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MEDIA RECORDS ENTERS RADIO ADVERTISING FIELD

Media Records, Inc., who measures space used by individual advertisers in the nation's newspapers, started January 1st to expand the service to include complete reports on radio advertising as well as general magazines, farm papers and trade publications.

C. E. Rock, President of Media Records, and formerly with Gillette Safety Razor Co., Boston, before he organized Media Records in 1927, asked stations to submit data on their accounts, stating that the service "will supply a great deal of vital information about radio to the station owners and those charged with the responsibility of the sale of radio advertising."

He said he has received assurance from leaders in the industry that the information will be forthcoming from stations.

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UNION HEAD HELD IN ATTACK ON RADIO OPERATOR

Hoyt S. Haddock, retiring President of the American Radio Telegraphists Association, was arrested last week and taken to Rockland County, N.Y., where the authorities are investigating an attack on Raymond Wolf, 28 years old, radio operator of the Munson liner "Western World", in his home at Spring Valley, N. Y., on Thursday night last. The attack was attributed to striking ship radio operators.

Mr. Haddock was arrested at the Custom House in New York City and a warrant was served on him charging second degree assault. Mr. Haddock was released on \$1,000 bail after pleading not guilty before Judge Finkelstein of Spring Valley. He was held for the action of the grand jury. District Attorney George V. Dorsey said, however, he did not believe Mr. Haddock was involved in the case and that the telegraphists' leader probably was mistaken for someone else.

None of the principals in the assault could identify Mr. Haddock, the prosecutor said. He was held in bail chiefly so his fingerprints might be compared with those found on lamps and furniture in the Wolf home. The police said three men beat Mr. Wolf into insensibility and bound his mother and his sister with electric cords snatched from electric lamps.

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SOUTH AFRICA OFFERS GOOD RADIO MARKET

South Africa offers a very good radio market, although it is highly competitive, according to a U. S. consular report to the Department of Commerce. The European population of the country is very small and only amounts to approximately two million persons. There are a great number of radio receivers already being sold there and the market is more or less flooded with makes. It is estimated, however, that more than three-fourths of the sales are made by a half-dozen American makes and the Dutch Philips, which carry replacement parts and operate service stations in all of the larger towns.

In order to enter this field successfully, it would be necessary to have an outstanding set selling at a very low figure or to do a considerable amount of advertising in order to bring the sets to the attention of the buying public.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

CONFIDENTIAL — Not for Publication

Commonwealth File

RECEIVED
JAN 25 1937
WAYNE L. RANDALL

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"FAN" MAIL SWAMPS U. S. RADIO EDUCATIONAL OFFICE

"Fan" mail for the five weekly coast-to-coast educational programs is setting new records for responses to that type of broadcasts, according to the U. S. Office of Education, which sponsors the Educational Radio Project.

More than 15,000 letters a week are pouring into the offices of the Federal agency, officials report, and the volume of mail increases weekly.

"The World is Yours", a Sunday morning presentation sponsored jointly by the Office of Education and the Smithsonian Institution over the NBC-Red network, is the most popular of the five programs. But "Answer Me This" is running it a close second in mail response.

The other three programs are "Treasures Next Door", "Education in the News", and "Have You Heard?"

Supplementing the usual "fan letter" method of judging the popularity of "The World Is Yours", the Office of Education has sent out thousands of comprehensive questionnaires to listeners who have sent in fan letters. The questionnaires ask the listener's age, occupation, number listening to the program in his home, if the program is discussed later and comments and criticism about reception and material.

To date, tens of thousands of these reports have been returned. Others are arriving at a rate of more than one thousand per day. Besides showing definitely that "The World Is Yours" is one of radio's top programs in the entertainment field, the questionnaires also attest to its vital educational value, its sponsors assert.

Listeners in all walks of life, of all ages and from every section of the country, as well as from several foreign nations, are returning the reports. It has been found, through an analysis of the questionnaires received thus far, that an average of three persons listen to the programs with each of the answering fans; that the programs are discussed in detail after each broadcast; that advance material, which is sent to more than 52,000 families each week, is used as a supplementary aid during the programs; that this material usually is kept for future reference, and that the programs are fitted to all types of listeners.

The Office of Education plans to make a more complete analysis of the reports when all those sent out have been returned. This will be made with a view to learning the age groups most vitally interested in the program; the sections in which the largest percentage of listeners live; the occupations of those most interested in the broadcasts, and a thorough study of suggestions made in the listeners' criticism.

This final analysis, the Office of Education believes, will give the most detailed check of the listening public ever obtained by the producer of a radio broadcast.

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INFLUENCE OF SUN ON STATIC STILL PUZZLE TO FCC ENGINEERS

The engineers of the Federal Communications Commission are still unable to explain fully the influence of the sun on broadcast reception. And the recent broadcast band hearing, though it offered much technical evidence on many aspects of radio transmission, didn't contribute anything on this major cause of static.

Commdr. T.A.M. Craven, Chief Engineer, in his report to the FCC said:

"No new evidence was given with respect to the existing known facts concerning the Heaviside layer and sunspot cycle. It is impossible at this time to give rigid assumptions concerning this subject, because insufficient data have been collected.

"However, the Engineering Department recommends that the Technical Information Section continue to accumulate data from other sources with reference to this subject, and that the Commission encourage research on the part of institutions, leading to the accumulation of greater knowledge concerning the Heaviside layer and the sunspot cycle. This study, of course, has been in progress at various commercial, educational and governmental institutions and laboratories in this country and abroad."

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Denial of an application by WMAS, Springfield, Mass., to shift its frequency from 1420 kc. to 560 kc. and increase its power to 1,000 watts was recommended this week to the Federal Communications Commission by Examiner Melvin H. Dalberg.

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PRESIDENT HAS WORLD AUDIENCE FOR SECOND INAUGURAL

Although the crowd on Capitol Plaza for President Roosevelt's inauguration was disappointingly small on account of the inclement weather, his radio audience was probably the largest in his four years of talking directly to the Nation's voters over the air.

Short-wave transmitting stations carried the Chief Executive's words around the globe, and reception was, in most instances, excellent, according to press reports, whether in Shanghai or Paris.

At least a dozen countries were tuned in on the inaugural broadcast, which occupied most of the day, and some 300 American stations carried the program to every nook and corner of these United States.

Countries to which the program was directed through the short-wave facilities of the Columbia Broadcasting System and the National Broadcasting Company, included France, Holland, England, Switzerland, Italy, Belgium, Austria, Latvia, Czechoslovakia, Brazil, Peru, Argentina and Uruguay.

Americans at London, Paris and Honolulu were brought to the microphone to comment on their reaction to the inaugural speech, as heard over the radio. There was in addition an NBC broadcast from the liner "Rex", in which several passengers told of hearing the program at sea, off the Azores.

Another broadcast was from the ancestral home of the Roosevelts in Oud Vossemeer on the Isle of Tholen in Holland. In this ancient Zeeland village, an announcer "escorted" listeners to the town hall and to the Roosevelt ancestral homestead, where Renville T. Emmett, American Minister to the Netherlands, spoke briefly.

Through W3XAL, short-wave station at Bound Brook, N.J., special broadcasts at various times were given in English, French, Italian, Spanish and German. Highlights of the Washington program were relayed to London at 11:50 A.M. by Felix Greene, representative of the British Broadcasting Corporation, as a prelude to the inaugural address.

Max Jordan, European representative of the NBC, spoke over W3XAL shortly after noon for listeners in France, Spain and Italy. Kurt Sell, of the Reichs Rundfunk Gesellschaft, Berlin, summarized the inauguration for German listeners between 1 and 1:30 P.M. The CBS commentator for France was Percy Winner, Paris newspaper representative, while Jorg Leal, Latin-American commentator, relayed the description southward for countries beyond the Caribbean.

Other short-wave transmitters carrying the program to foreign lands included Stations W2XE at Wayne, N. J.; W3XAU at Philadelphia; W8xk, Pittsburgh, and W2XAF, Schenectady.

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TYSON TO HEAD COLLEGE, QUILTS RADIO COUNCIL POST

Dr. Levering Tyson, of New York, who has been Director of the National Advisory Council on Radio in Education since 1930, will quit the radio educational field shortly to become President of Muhlenberg College at Allentown, Pa. He ends his duties as Director of the National Advisory Council about July 1st.

Dr. Tyson, who is 48 years old, has gained wide experience in educational affairs. He organized the home study department as one of the extension activities of Columbia University in 1919-1920. Invited to attend the original conference resulting in the establishment of the American Association for Adult Education, he was retained by that organization in 1929 to make a study of the possibilities of radio in education on behalf of the Association and the Carnegie Corporation of New York.

Out of this study developed the National Advisory Council on Radio in Education, for which he was selected as the first director, a position he has held ever since. In 1930 it was announced that through the cooperation of John D. Rockefeller, Jr. and the Carnegie Corporation, funds for the basic extension of the council and its maintenance for a period of three years were assured. Dr. R. A. Millikan of the California Institute of Technology was elected the first president.

Mr. Tyson is a member of the Federal Radio Education Committee and is Chairman of the Radio Subcommittee of the American Committee of the Institute for Intellectual Cooperation of the League of Nations; also Chairman of the Broadcasting Committee of the World Association for Adult Education.

In 1931, he was Chairman of the International Conference in Educational Broadcasting at Vienna. Last Summer he travelled through Europe, attending radio meetings in Edinburgh, Oxford, Geneva and Rome.

Always an advocate of the American broadcasting system as against the government-controlled methods in vogue in Europe, Dr. Tyson, nevertheless, has advocated adjustments in the American system to make it best serve the general needs of listeners. In this sense he has always been a friendly critic of radio in this country.

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A new broadcasting station for Port Huron, Mich., was recommended to the Federal Communications Commission this week by Examiner John P. Bramhall. The applicant, the Port Huron Broadcasting Co., asked for a permit to operate on 1370 kc., with 250 watts daytime.

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STATISTICS OF RADIO BUSINESS TERSELY TABLED

Following is a terse outline of the radio industry, which now has a flow of \$851,000,000 yearly, as compiled by Radio Today:

Uncle Sam's Annual Bill For Radio

Sale of time by broadcasters, 1936	\$114,000,000
Talent costs, 1936	36,000,000
Electricity, batteries, etc. to operate 33,000,000 receivers	150,000,000
8,000,000 radio sets sold in 1936	440,000,000
46,000,000 replacement tubes	31,000,000
Radio parts, supplies, etc.	45,000,000
Servicing radio sets	<u>75,000,000</u>
U. S. Public paid for radios in 1936	\$891,000,000

Radio Sets In Use

	<u>Jan. 1, 1936</u>	<u>Jan. 1, 1937</u>
U.S. homes with radios	22,869,000	24,500,000
Extra and "second" sets in above homes	3,000,000	4,000,000
Automobile radios in use	<u>3,000,000</u>	<u>4,500,000</u>
Total radio sets in use, U.S.	28,869,000	33,000,000
Total homes with autos	17,650,000	18,000,000
Total residence telephones	11,000,000	11,500,000
Total homes with electricity	21,030,000	21,800,000
Total homes in U.S.	31,000,000	31,471,000
Population U.S.	128,000,000	128,853,000

Roll-Call Of Radio Industry

Manufacturers of radio receivers	144
Manufacturers of radio tubes	13
Manufacturers of radio parts	620
Manufacturers of test equipment	55
Manufacturers of broadcast and amateur equip.	110
Manufacturers of sound equipment	95

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Radio Set And Tube Sales

	<u>Number</u>	<u>Retail Value</u>
Total radio sets sold during 1936	8,000,000	\$440,000,000
Radio sets exported	650,000	-----
Automobile radios	1,700,000	85,000,000
Home radios sold in U.S.	5,650,000	310,000,000
Home sets sold as replacements	3,900,000	215,000,000
Home sets sold to homes previously without radios	1,750,000	96,000,000
Home radios sold as extra sets	1,000,000	55,000,000
Battery sets	800,000	40,000,000
Tube replacements	46,000,000	31,000,000
Tubes, initial equipment	50,000,000	-----
Total tubes sold 1936	96,000,000	70,000,000
Parts, supplies, etc.	----	45,000,000

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SHIPS CLOSELY INSPECTED FOR RADIO ACT VIOLATIONS

During the past fiscal year there were 13,578 clearances from U. S. ports of American and foreign ships which are required to carry radio apparatus, the Federal Communications Commission reports. During the same period 6,337 inspections were made of the radio installations on these vessels which revealed 151 cases of violation of the law. In 145 of these cases the masters were served with official penalty notices. Corrective action was taken, however, prior to departure from port. In addition, 192 discrepancy notices were served on the licensees of these vessels for failure to comply with the provisions of international treaty or regulations of the Commission.

On ships voluntarily equipped with radio apparatus 3,108 inspections were made. Of this number 658 cases revealed defects and required the radio licensees to take corrective action.

There were 1,701 detailed inspections made of ship radio installations to determine if they met the license requirements as to frequency of operation, frequency stability, decrement, etc.

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CANADA DEVELOPING MUSEUM OF RECORDINGS

The Canadian Broadcasting System is rapidly developing a valuable museum of radio recordings that may well be of inestimable value to posterity. The recordings, most of which are of overseas broadcasts, are made at the CBC short-wave receiving station in Ottawa by means of the Blattnerphone equipment.

The invention of the Blattnerphone has made possible recordings of radio programs of any length and these recordings, which are not subject to the influence of time, atmospheric or physical conditions, can be used as often as required, according to the CBC.

Up to that time there had been recorded and placed in the archives important permanent recordings, among them being the Christmas message of His late Majesty, King George V, to the Empire in 1934; the opening of the 17th Parliament of Canada; the funeral services of Sir Arthur Currie; proceedings in connection with the Economic Conference in London in 1933; the Jubilee celebrations of 1935; the wedding of Their Royal Highnesses the Duke and Duchess of Kent in 1934; and the launching of the R.M.S. "Queen Mary" in 1934.

Recently there were added the farewell address to the Empire of the former King Edward VIII and the proclamation ceremonies of the ascension to the throne of King George VI.

The Blattnerphone, for example, uses steel tape as the recording medium and this tape, which is mounted on cast aluminum spools, is a mile and a half in length, three thousandths of an inch thick and a little over a tenth of an inch in width, and is capable of accepting programs of about half an hour's duration. It is interesting to note that a recording made by this machine is reproduceable with exactly the same clarity as at the time of the actual broadcast and that it is not subject to deterioration in any way. A recording made by the Blattnerphone may be kept indefinitely or "wiped out." When a tape is thus cleared it may be used again.

Another advantage which this system of recording offers is that long programs can be condensed, the CBC states. For example, the proceedings in connection with the opening of Parliament in 1935 resulted in a complete recording an hour and a half in length. Since, however, the event occurred during the afternoon, it was possible to eliminate unnecessary parts by re-recording, thus making it suitable for reproduction over the national radio network later that night. Only pauses in the ceremony were deleted and nothing of value was lost for the listener.

1/22/37

RADIO "HAMS" STILL PERFORM YEOMAN SERVICE, SAYS FCC

The army of radio pioneers, popularly known as "hams", is still performing valuable public service although its period of contribution to the technical development of wireless transmission apparently has ended.

Discussing this group of licensees in its report to Congress, the FCC said:

"On June 30, 1936, there were approximately 46,850 amateur stations licensed by the Commission. Of this number many are affiliated with the Naval Communications Reserve and the Army Amateur Reserve system. A large number of these stations, as well as others not associated with the Army and Navy, continue to cooperate with the American Red Cross in times of emergency, providing communication between headquarters and areas affected by storms, floods, earthquakes, and similar catastrophes when other means of communication fail.

"During the past year amateur stations rendered valuable service to the public. Beginning early in July, 1935, with the flood in the Finger Lakes region of New York State, and continuing through the severe sleet and snow storms of the past Winter, the amateurs furnished in many cases the sole means of communication between the stricken areas and outside aid. Their services to the public during the disastrous floods of this Spring, which affected 14 States and isolated 20 large cities, were outstanding.

"Many amateur stations participated in the Navy Day competition held on October 28, 1935, when a message from the Secretary of the Navy to all amateurs was transmitted from the naval radio stations at Arlington, Va., and San Francisco, Cal.

"On November 11, 1935, the Chief Signal Officer of the United States Army transmitted a message to members of the Army Amateur Reserve system. These yearly events stimulate interest, encourage accuracy in receiving, and enable amateurs to test their skill and proficiency in the International Morse Code.

"Continuing the Commission's policy to encourage technical developments and operating proficiency in the amateur service, a number of rules respecting this service were revised during the past year. The technical and engineering requirements were increased with respect to the equipment used by amateurs, and on June 2, 1936, the Commission increased the code speed requirement from 10 to 13 words per minute.

"The Commission has been requested to allocate additional frequencies for radiotelephony in the 3,500-4,000 kilocycle amateur band in order to relieve some of the congestion existing in this frequency band due to the large number of amateur radiotelephone stations in operation. The Commission finds, however, many amateurs oppose any change being made in the present amateur frequency allocation. In order that all interested parties may be given an opportunity to present their views, a public hearing was set for October 20, 1936."

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BELGIAN CONGO NATIVES DISCARD DRUMS FOR RADIOS

When the natives of the Belgian Congo lay aside their hollow log drums and native musical instruments and tune in the white man's jazz and symphonies, most of them do so with the aid of American radios.

American radio receiving sets in the Belgian Congo constitute 75 percent of the total and of the nine different makes of radios on sale there, seven are of American manufacture, according to a report from the American Consul there, made public by the Commerce Department.

Although the white colony in the Belgian Congo numbers only about 20,000, the market for radios is very active and last November there were 1,421 receiving sets registered, at least 1,200 of them having been imported since July 1st.

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THERAPEUTIC MACHINES OFFER THREAT TO TELEVISION

The increasing use of electrical therapeutic machines on the part of hospitals and physicians, as well as the general public, has created a new type of interference to radio communications, according to the Federal Communications Commission's Engineering Department.

Discussing this type of interference in the FCC report to Congress, T.A.M. Craven, Chief Engineer, says:

"It was ascertained that the use of a diathermy machine in this country could interrupt an international radio communication service. Further, preliminary investigation indicates that interference caused by this type of machine may affect seriously the value of television broadcasting. In addition to this type of interference, the interference caused by the ignition system of an automobile may have a serious effect

upon the usefulness of the new portion of the radio frequency spectrum above 30,000 kc. which is now being developed. Preliminary investigations inaugurated by this Commission indicate that the problem is soluble, if the cooperation of the manufacturers of therapeutic machines, the manufacturers of radio, and the automobile industry can be obtained. However, at this time the Commission's investigation of this phase of radio interference is not completed."

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EDUCATIONAL PROGRAMS 40% OF TOTAL ON MOSCOW STATIONS

Approximately 40 percent of the hours of broadcasting on Moscow stations during 1936 were devoted to programs of an educational nature, according to a report to the Commerce Department from Loy W. Henderson, U.S. Charge d'Affaires at the Russian capital.

American networks devote about 25 percent of their time to educational broadcasts.

With the exception of a small number of amateur transmitters, all broadcasting and radio transmission stations in the Soviet Union are owned and operated by State organizations. The maintenance and management of the technical equipment of general broadcasting stations are in the hands of the People's Commissariat for Communication of the U.S.S.R., while the broadcasting is controlled and supervised by the All-Union Radio Committee, which is attached to the Soviet of People's Commissars of the U.S.S.R.

The All-Union Radio Committee is a central body which carries out the radio broadcasting programs of the main stations in Moscow and supervises the activities of seventy local committees in different parts of the Soviet Union.

"The operations of the All-Union Radio Committee and of the local radio committees proceed in accordance with plans, the broad outlines of which are made in advance for periods of considerable length", Mr. Henderson reported.

"Advertising in the sense in which that term is usually understood is not broadcast by Soviet radio stations. Such advertising as is broadcast is in the nature of informative bulletins advising the listeners as to the places where certain goods may be purchased, where certain services will be performed, and so forth, and is for the benefit of the prospective purchaser rather than for the benefit of the seller.

"Foreign business firms have not, apparently, at any time advertised over the Soviet radio broadcasting system. It is believed, moreover, that advertising over the Soviet radio would not, in view of the Soviet Government monopoly of foreign trade and other factors of merchandising peculiar to the Soviet union, achieve the purposes for which intended since such factors would seem to obviate the necessity for that type of advertising."

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RCA TESTING TELEVISION WITH NEW FCC STANDARDS

The first tests of high definition television using the new standards which have been recommended by the radio industry to the Federal Communications Commission are now being conducted by engineers of the Radio Corporation of America and the National Broadcasting Company.

Images scanned by the RCA iconoscope, the pick-up tube, at the rate of 441 lines per frame have been transmitted from the NBC experimental station in the Empire State Tower and successfully received by selected number of experimental television receivers in the homes of RCA-NBC engineers and technicians.

"Pictures of 441 line definition are much clearer than those of 343 lines, the definition employed in previous tests from the Empire State", said Lenox Lohr, President of NBC. "Another significant advance has been made in our work of television development. As we proceed in this fascinating adventure of bringing radio sight to distant eyes, it is encouraging to be able to report this substantial progress."

"The development of television service", said Mr. Lohr, "promises to be orderly and evolutionary in character and is a tribute to the radio industry which has enjoyed public favor on a scale that is most encouraging to its future. The public may purchase present day radio receiving sets with confidence as to their continuing serviceability. Television receiving sets cannot precede a television program service of satisfactory quality, which will be available at the beginning only in sharply restricted metropolitan areas following the eventual solution of technical, economic and program problems."

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DUN & BRADSTREET SAYS RADIO CLIMB WILL CONTINUE

Radio production, sales and broadcasting set new high records in 1936, and further advancement is expected in 1937, according to a report by Dun and Bradstreet.

Wage increases, expanding employment and rising automobile production were listed as factors likely to continue the prosperous condition of the industry this year. It was also stated that replacement sales may reach a new peak through improvements and new home construction.

More than 1,400,000 new homes were supplied with sets in 1936, bringing the total to nearly 25,000,000, it was reported. A new high in national advertising during the Summer was noted as contributing to gross time sales for the year, estimated at more than \$1,000,000. Production ranged from 20 to 25 percent higher than 1935, the report said.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C. 20004

CONFIDENTIAL — Not for Publication

JAN 27 1937

W. L. ...

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January 26, 1937

CROSLEY CINCINNATI LOSS HEAVY; MAIN PLANT SAVED

Although preliminary estimates are to the effect that the Crosley Radio Corporation fire loss during the flood at Cincinnati Monday night may be in the millions. luckily the main plant escaped disaster and will reopen as soon as recession of flood waters and restoration of power facilities permit.

The company's refrigerator cabinet assembly factory was destroyed, a telegram said, but orders will be filled in increasing production at a similar plant at Connersville, Ohio.

The following telegram was received today (Tuesday) by the Heintl News Service from Bill Bailey, press representative of the Crosley Corporation:

"Your wire just reached me due to heavy traffic and temporary setup. Two buildings of Crosley Radio Corporation destroyed in fire that swept four square blocks. Building K, the main warehouse, and Building L, refrigerator unit, destroyed. Total fire loss based on buildings two million, half of which was suffered by Crosley.

"Have been unable to contact Lewis Crosley for definite amount but apparently the loss will mount less over a million due to large number of radios and refrigerators in warehouse. Main plant which houses studios undamaged except for broken windows despite fact fire raged on three sides of the plant."

The operation of Station WLW, whose transmitter is at Mason, Ohio, a short distance north of Cincinnati, was apparently unaffected by the flood as it could be heard broadcasting flood relief messages.

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Television and facsimile transmission by radio will be nearly ready to pop in 1937, bearing problems that call for the best thought the newspaper industry can give them, says Editor & Publisher editorially.

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1/20/37

RMA DENOUNCES PUBLIC EXHIBITS OF RADIO RECEIVERS

The Board of Directors of the Radio Manufacturers' Association this week advised RMA members that it is opposed to public exhibitions of radio receiving sets by set manufacturers or distributors, according to Bond Geddes, Executive Vice-President.

At the same time Mr. Geddes disclosed that the RMA Directors had indorsed a Radio Parts Manufacturers' National Trade Show to be held at the Stevens Hotel, Chicago, June 10-13, and a similar show in New York, October 1-3.

"Exhibition of receiving sets in trade shows and public shows, by set manufacturers or distributors, is not helpful to business and is not approved, according to a show policy determined unanimously by the RMA Board of Directors at its recent meeting in Chicago", Mr. Geddes said. "RMA set manufacturers are being requested to refrain from such exhibitions and also to request their distributors not to participate in such shows.

"The RMA Board adopted formal resolutions following a questionnaire of set manufacturers by the Association, with unanimous sentiment in opposition to such exhibition of receiving sets.

"The RMA resolutions follow:

"Whereas this Board has given careful consideration to the advantages and disadvantages of exhibiting receiving sets in trade shows and public shows, and

"Whereas receiving set manufacturers of this Association were canvassed by questionnaire on such advantages and disadvantages, and

"Whereas answers to such questionnaire by receiving set manufacturers clearly manifest the opinion that the disadvantages and the expense of such exhibitions do not warrant the manufacturer of receiving sets to exhibit at such shows or to support them financially directly or indirectly and that exhibiting thereat deters rather than promotes the sale of receiving sets,

"Resolved, That this Board considers the exhibition by manufacturers of receiving sets as detrimental to the industry and therefore condemns the practice and strongly recommends to its receiving set manufacturers not to exhibit or to support financially, directly or indirectly, any trade or public shows;

"Resolved, That the manufacturers of receiving sets be requested to urge upon their distributors not to participate in such shows."

Formal endorsement of the radio parts shows by the RMA was given at the same meeting of the Directors in Chicago, and it was also arranged to hold the annual RMA Membership meetings and convention at the Stevens Hotel on June 8-9, immediately preceding the June parts and accessory trade show. During the June show the annual convention and meetings of the Sales Managers Clubs and the Institute of Radio Service Men also will be held. Ken Hathaway, President of the Institute of Radio Service Men, is Managing Director of the shows.

Details of the arrangements for conducting the shows are given in the following announcement:

"The Radio Parts Manufacturers National Trade Show has been incorporated as a corporation, not for profit, to sponsor, promote, and conduct national exhibitions of (1) replacement parts, test and laboratory equipment for the service man; (2) public address equipment; and (3) amateur and short wave equipment. The formation of the above mentioned corporation was agreed upon at a meeting of representatives of the Sales Managers Clubs and the Parts Division of FMA at a meeting held in Chicago on November 16, 1936; and the first meeting of the Board of Directors of the Corporation was held in New York City, December 16, 1936.

"The Show Corporation is the result of more than six months of negotiation, during which time the leaders of the industry were endeavoring to effect an arrangement that would be all-inclusive as to representation and scope. The By-laws, as adopted at the December 16 meeting, require that two of the members of the Board of Directors shall represent companies that are members of RMA and two shall represent companies that are members of the Sales Managers Club. The Directors hold office for one year and are elected at the annual meeting of the member-exhibitors held during the Chicago National Trade Show.

"The Board of Directors as now constituted consists of A. A. Berard, Arthur Moss, S. N. Shure, and Fred D. Williams. Messrs. Moss and Williams represent RMA; Berard and Shure represent the Sales Managers Clubs.

"The officers are Mr. Shure, President; Mr. Berard, Vice-President, and Mr. Moss, Secretary-Treasurer."

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A broadcasting station with a power of 100 KW is contemplated for Tunis, according to M. Guillon, the Resident-General, the cost of the transmitter being paid by the French Government and that of the installation by the dependency. M. Guillon indicated that the expense could be covered by the receipts from wireless taxation and from publicity.

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WHAS, LOUISVILLE, DOES HEROIC SERVICE

Plainly heard over the entire eastern part of the United States, much praise was reported for the splendid flood relief work done by Station WHAS, operated by the Louisville Courier-Journal. Apparently this station abandoned all commercial programs and devoted its entire time to emergency bulletins in connection with the flood.

Evidently the station was never off the air and handled appeals of the most thrilling character, such as rescue boats being overturned, and other messages equally urgent, at all hours of the day and night. At times, however, the station sounded weak as if operating on battery power when the city's electric supply went out.

Official broadcasts from the Governor of Kentucky, the Mayor and the Chief of Police at Louisville cleared through WHAS, which was also a part of an emergency network of stations of which Nashville, Indianapolis and other cities nearby seemed to be a part.

Approximately 100 officers and 800 enlisted men in the Naval Communication Reserve were operating 200 radio stations in connection with rescue and relief work in the flooded areas. In several areas the stations, operating on batteries, took over the communication work of regular stations paralyzed by the failure of electric current.

The nine control stations are located at Pittsburgh, Wheeling, W. Va., Huntington, Norfolk, Chicago, Akron, Cincinnati, Louisville and Centralia, Ill.

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MINIATURE RADIO TUBE FOUND OF MEDICAL VALUE

The world's tiniest radio vacuum tubes, producing wave lengths one centimeter long, or about a third of an inch, have proved efficient in tests and may be of medical value, according to Professor G. W. Potapenko, at Pasadena, California.

The physicist, who, with Dr. C. Y. Men, developed the tubes, pointed out to students and scientists at the California Institute of Technology that wave lengths of about one meter have been used for some time in medical therapy.

"Waves of about one centimeter previously could be generated only by using spark oscillators or magnetrons", said Professor Potapenko. "But waves generated by spark oscillators are not constant in energy and those produced by magnetrons are not constant in length. Recent tests show waves produced by our tiny tubes are constant both in energy and length, which we hope will make them highly valuable in biology, medicine and perhaps chemistry."

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1/26/37

RADIO EXPORTS SET MARK; WAGES SHOW SMALL GAIN

All monthly records for radio exports were broken last October with a total exportation of \$3,246,129, according to the report of the U. S. Bureau of Foreign and Domestic Commerce, which showed an increase of 19.6 percent over exports of \$2,714,113 in October, 1935. The exports of receiving sets and also parts and accessories was the largest in any month on record. The previous record in radio exports was established in November, 1935, with a total of \$2,892,778, but the radio exports last November were slightly under this previous peak, totaling \$2,587,819.

Radio factory employment last October increased only .9 percent over September, according to the current U. S. Bureau of Labor Statistics report, and October employment was 5.4 percent less than that during October 1935.

October showed an increase of 10.5 percent in radio factory payrolls over the previous month of September, 1936. The October payrolls, however, were only .2 over those of October, 1935.

Average weekly earnings during October of radio factory employees were reported at \$21.55, an increase of 9.5 percent over September, 1936, and 5.8 percent over weekly earnings during October, 1935. The October national average of all manufacturing industries was \$23.46, while the national average of all durable goods manufacturing establishments was \$26.45.

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FORD PROTESTS SPOT ADS ADJACENT TO OWN PROGRAM

The Ford Motor Company has registered an official protest with the Columbia Broadcasting System and with the National Broadcasting Company against the practice of injecting commercial announcements during the chain break immediately preceding or following its radio programs, according to Newsdom. Both broadcasting systems took the protest under advisement but declined comment.

"The practice of slipping in extraneous commercial spots, we feel, is unfair to the sponsor and to the public", the protest read in part. "We have received numerous complaints substantiating this, and believe the time has arrived for broadcasting companies to take cognizance of this situation."

The statement "offers no objection to spots or commercials used in connection with sustaining programs, provided they do not immediately follow a sponsored program."

The complaint was based on the thesis that the sponsor of a unit of radio time - 15 minutes, 30 minutes, or an hour - is entitled to the undivided attention of the audience from chain break to chain break.

As a matter of consistency, the Ford company announces that it would discontinue all of its own spot chain-break announcements. Ford maintains three shows on the air: one over WABC Sundays from 9 to 10 p.m.; another over the same station Tuesdays from 9 to 9:30 p.m., and the third over WJZ Fridays from 9 to 9:30 p.m.

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RADIO STATIONS DIRECT RELIEF IN FLOOD AREAS

"Radio broadcasting played a tremendous role yesterday in the battle of the Ohio and Mississippi Valleys against the worst flood in their history", the New York Times reported Jan. 26.

"The dramatic 'calling all boats, calling all boats' was a constant appeal for help throughout the day from the powerful transmitters of Stations WHAS and WAVE at Louisville, WLW and WKRC at Cincinnati and an unprecedented emergency network of Columbia and NBC cooperating stations.

"The broadcasters remained continuously on the air to link police and relief headquarters and rescuers. Boats and patrol cars throughout the great valleys were equipped to pick up appeals relayed in behalf of those cut off by the climbing waters.

"Even when its power was shut off temporarily, the crew of WHAS, Louisville, continued to relay its messages to cooperating stations which included CBS stations linked through WBBM, Chicago; and the transmitters of WSM, Nashville; and WFRM, Indianapolis.

"Radio was called into play by Mayor Neville Miller of Louisville to appeal to three other cities for emergency fire apparatus. A new fire had been reported in a distant section of the city just before the Mayor's appeal was read over WEA's network. Knoxville, Chattanooga and Pittsburgh were called upon. Of the first two, at least two companies of fire apparatus were requested. Pittsburgh was urged to send the equipment already offered, with the advice that to send it by way of Knoxville would avoid the worst of the flooded areas.

"Falling electric power and extraordinary technical difficulties were overcome in maintaining radio in service of the local, State and Federal relief agencies.

"Appeals for succor and the story of devastation and heroism kept the Cincinnati and Louisville stations and many others in an emergency hook-up from early morning throughout the day and night. Intermittent switches brought news of the disaster to a nation-wide audience.

"When police radio equipment at Portsmouth, Ohio, was crippled early yesterday, the NBC mobile unit at WTAM, Cleveland, supplied police broadcasting service. Alvin McMahan and Frank E.

Whittam, engineers, operated the short wave unit most of the morning, maintaining communication in the flood area with State police and Portsmouth Scout cars.

"Station WAVE, the NBC outlet at Louisville, was able to resume broadcasting yesterday morning after a generator that had been sent by plane from Chicago was put into service.

"WLW placed its broadcasting facilities at the disposal of relief agencies. The plea was made that no calls be put through regarding information concerning damage to life and property, but listeners were assured that all people in the Cincinnati area would be properly cared for through the speedy work of mobilization.

"WSAI, the NBC outlet of WJZ's network in Cincinnati, had been without power since Sunday night. Then it was damaged by fire, the National Broadcasting Company reported.

"Other broadcasts were heard from Pittsburgh, through KDKA; Portsmouth, Ohio, via the Mobile unit of WTAM; from Covington, Ky., over WCKY and from Chicago."

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FTC CRACKS DOWN ON "MARMOLA" ADVERTISING

Raladam Company, of Detroit, has been ordered by the Federal Trade Commission to cease and desist from certain misrepresentations in the sale of its produce "Marmola", advertised as a weight-reducing preparation. Such misrepresentations are held to constitute an unfair method of competition in violation of Section 5 of the Federal Trade Commission Act. Broadcasting stations which have carried "Marmola" programs have previously been called to task by the Federal Communications Commission.

Containing as its active ingredient desiccated thyroid made from the thyroid glands of certain food animals, Marmola is said to have been advertised in a manner implying that thyroid deficiency is a common cause of excess fat, that thyroid should be taken for reducing, that "Marmola is for the average case", provides "the right way to reduce", and that "this modern method of reduction is now used by doctors the world over."

Findings in the case, based on distinguished medical and scientific opinion, are that only a small proportion of cases of over-weight result from thyroid deficiency; that in many cases the respondent company's product cannot be safely used, and in any case should be taken only on the advice of a physician.

The order to cease and desist prohibits certain misrepresentations concerning Marmola and its thyroid ingredient and also directs the Raladam Company to discontinue representing that it makes a full and complete disclosure of the properties and effects of Marmola unless and until it does in fact make such disclosures.

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U. S. RADIO SETS POPULAR IN LIBERIA MARKET

"No radio equipment is manufactured in Liberia and all requirements of receiving sets and accessories are filled by imports from abroad, imports being about equally divided between European countries and the United States", the U. S. Bureau of Foreign and Domestic Commerce reports. "The demand is for table models of receiving sets of both electric and battery power, equipped with aeroplane dials marked with names of stations. Price preference ranges from about \$24 to \$72. American sets continue to be popular.

"As a rule radio sets are not kept in stock, being imported on individual order. At present, however, it is reported that there are 14 receiving sets in stock in Monrovia. The market at best is small and appears to be well exploited by exclusive agents of 3 well-known American makes of sets and tubes. At the close of September last year there were approximately 130 private receiving sets in all of Liberia.

"There is no local standard or short-wave broadcasting, but all American, as well as other short-wave programs are heard here so far as weather permits. There are no relay systems."

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RCA ADDS BRAZIL TO COMMERCIAL NETS CARRYING OPERA

Radiobras at Rio de Janeiro, Brazil, last week began broadcasting the regular Saturday matinee performances of the Metropolitan Opera Company in New York, heard in this country over networks, under the sponsorship of the Radio Corporation of America.

Radiobras is the second major South American broadcasting company to inaugurate a series of commercially sponsored radio programs from the United States in less than a month. Announcement that Radio Splendid at Buenos Aires, Argentina, would broadcast the Metropolitan Opera was made January 7th. Thus, South America's two largest nations are receiving the first series of commercial programs ever sent from this country to a foreign nation other than Canada.

The opera programs are transmitted to Radiobras and Radio Splendid, by arrangement from New York over a commercial short-wave channel of P.C.A. Communications, Inc. Announcements and commercial credits, in Portuguese by Radiobras and in Spanish by Radio Splendid are added to the broadcasts at Rio de Janeiro and at Buenos Aires.

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INDUSTRY NOTES

The National Broadcasting Company's lease of Station WMAL has recently been extended for three years, it was announced by Major Lenox R. Lohr, President. The existing lease, which covered a five-year period, will expire December 31st of this year. Major Lohr completed negotiations for extension of the lease with the M.A. Leese Radio Corp., owners of WMAL.

New Jersey's Alcoholic Beverage Control Commissioner last week held that liquor advertising on the radio was undesirable because it could not be kept out of the homes.

Asked if a Phillipsburg liquor distributor could legally sponsor a contest on the radio with a case of beer as the prize, Commissioner D. Frederick Burnett said there was no rule against it, but one would be promulgated if the practice of holding such contests were started.

Charges of participating in an assault upon a ship's radio operator, filed against Hoyt Haddock, President of the American Radio Telegraphers Union in New York, have been dismissed, District Attorney George Dorsey said at Spring Valley, N.Y., last week. The Rockland County District Attorney obtained the order releasing Haddock last week at the home of Police Judge Robert Finkelstein, two days before a scheduled hearing.

Three other union members are still awaiting a grand jury hearing on a charge of assaulting Robert Wolfe, Munson Line radio operator, in his home after binding his sister and mother. A fourth man is being sought.

"With the Federal excise tax figures for 1936 showing an increase of 51 percent over 1935, when radio set sales numbered 6,000,000 sets, it becomes increasingly apparent that 1936 was at least an 8,000,000 set year, although basic license-bureau figures for the final quarter are not yet available", according to Radio Today.

"At 8,000,000 sets, 1936 in unit production is thus 82 percent ahead of America's business-peak year of 1929, when unit radio production was 4,400,000 sets. Measured in dollar volume, owing to the lower unit prices in 1936, 1936 radio volume is 25 percent below the \$600,000,000 retail peak of 1929."

An order to cease and desist has been entered by the Federal Trade Commission against F. L. McWethy, 329 Michigan Ave., Marshall, Mich., prohibiting him from representing in advertising matter or in radio broadcasts that "McWethy's Home Treatment", which he sells in interstate commerce, is an effective remedy or a cure for bladder, prostatic, kidney or bowel troubles, and that it reaches all of the underlying causes of such ailments.

ZENITH EMPLOYEES PRESENT PLAQUE TO MANAGEMENT

When, next February, the Zenith Radio Corporation of Chicago, moves into its mammoth new plant, recently acquired, the entrance hall will contain an impressive bronze plaque. The plaque was presented Christmas Eve to Commander E. F. McDonald, Jr., President of the Company, and to the other officials, by the entire body of Zenith employees as an expression of loyalty to the organization.

On the surface of the bronze, measuring two and a half feet by nineteen inches, are engraved the following words:

"To the Directors and Officers of the Zenith Radio Corporation --- We believe in your wisdom and fairness --- We assure you of our loyalty and effort --- We are proud of this partnership --- "

In accepting the plaque for the Company, Commander McDonald told the employees:

"Nothing could have made my Christmas happier, nor more complete, than the sentiment that was expressed by all of you in the lovely bronze plaque with which I was surprised Christmas Eve.

"I wish to express to you not only my appreciation, but the appreciation of the Officers and Directors of Zenith for the wonderful thought that the bronze represents. You have made the Officers, the Directors and me particularly happy with the last sentence wherein you say, 'We are proud of the partnership'. That word 'partnership' means much to us and it is our intention to make it even more a partnership as the years go on."

Over the wording described, the plaque contains symbolic illustrations showing on the one side, executive and office personnel, and on the other side, figures representing men and women of the various manufacturing departments, advancing into the foreground toward a central motive, a symbolization of a Zenith radio cabinet. Before this central design, the two leading features stand hand-in-hand, pledging cooperation and loyalty to one another.

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The Turkish Government will shortly let contracts for the construction of two new radio broadcasting stations, to be located at or near Ankara. It is understood that one of these stations will be a 60,000 or 70,000 watt long of medium wave broadcasting station, and the other will be a 10,000-watt short wave transmitter.

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NBC EXPANDS SOUTH AMERICAN SHORT WAVE SERVICE

With the launching of a new weekly program of Broadway comment on Tuesday, January 26th, the National Broadcasting Company will have programs produced especially for reception on South and Central America on the air seven days a week over its short-wave transmitter, W3XAL, at Bound Brook, N. J.

Francesco J. Ariza, a native of Mexico, who has lived many years in New York, will be the commentator. He is a magazine writer and editor. His talks will be filled with up-to-the-minute information about the new Broadway shows, human interest angles about the actors and others who take part in the gay life along New York's white way.

Dan Russell, Spanish-speaking announcer, will round out the program with a brief summary of news about inter-American events. Russell and Charles Carvajal, Spanish-speaking production man, are in charge of NBC's South American broadcasts, arranging and producing all of the programs.

The addition of the Tuesday night feature brings the South American schedule up to seven days a week, with half-hour broadcasts on week days and a full hour broadcast on Sundays. Special entertainment features, supplemented by brief news reports, are presented during the week.

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BENDIX FORMS RADIO EQUIPMENT CORPORATION

Vincent Bendix, manufacturer of airplane parts and equipment, last week in New York announced the organization of the Bendix Radio Corp., with himself as president, and he described it as "the largest organization of its kind in the world."

The company, absorbing Radio Research Co., Inc., of Washington, Radio Products Co., of Dayton, Ohio, the William P. Hillyard Co., and the Jenkins and Adair Co., of Chicago, will specialize in a directional radio compass for private and transport planes.

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Anti-trust suits brought by the General Talking Pictures Corporation and the Duovac Radio Corporation against the American Telephone and Telegraph Company and the Western Electric Company were dismissed last week by Federal Judge John P. Nields, in Wilmington, Del.

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HEINL RADIO BUSINESS LETTER

2400 CALIFORNIA STREET

WASHINGTON, D. C.

file

CONFIDENTIAL — Not for Publication

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JAN 29 1937

WATHE L RANDALL

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SIGNAL OFFICER PONDER'S PLACE OF RADIO IN NEXT WAR

The role of radio communication in the next great war has no lesser personality than Maj. Gen. J. B. Allison, Chief Signal Officer, wondering.

Writing in the current "Signal Corps Bulletin" on the topic, "Has the Army too Much Radio?", General Allison admits many of the weaknesses of radio on the field of battle but also points out that for many communication services "it's radio or nothing".

He concludes that only another war can prove the value of much of the new radio equipment which the Army is adding constantly.

"In some quarters the growth of our radio organization is viewed with apprehension", he said. "It is true that the number of different types of sets, the total number of sets and the number of men assigned to operate them have all continued to increase.

"It is a truism to say that we are living in a marvelous age. It is trite to mention that radio has had an amazing evolution from the crude, heavy, power-consuming sets of a former period to the finished, light, efficient equipment which we have today. The Army has also greatly changed during this period. It has become more and more complex with each passing year and its means of transport has continued to speed up.

"Our changing Army is constantly finding new needs for radio; and radio itself is ever improving its ability to serve these new needs while serving the old needs better than before. Because of these things, our radio organization which filled the bill in 1916 was ancient history in 1926, and in turn our 1926 set-up would look like the horse and buggy days now. We just cannot imagine the GHQ Air Force, the Mechanized Brigade or the first Cavalry Division without modern radio. Nor could the commanders of these organizations hope to coordinate the action of their commands without it.

"When I am asked the question 'Has the Army too much radio?', I know the questioner believes the proper answer to be 'yes', and I assume he has some definite phase of the problem in his mind. The questioner usually has in mind one or more of five different phases of the problem, such as:

"Question - Radio is slow, unreliable, subject to enemy jamming, intercept and goniometric location. It does not

compare in reliability or usefulness with the wire telephone or telegraph. Why not therefore soft pedal the former and concentrate on the latter?

"Answer - The premise is correct and well recognized. Units which can hope in active operations to keep up wire communications, plan to do so. With them, radio is merely a contingent or auxiliary means to be resorted to when their respective wire systems have failed or before they are put in. The main effort of the communication troops of such units is naturally toward the upkeep of their wire systems. On the other hand, air-air and air-ground communications and those within mechanized and horse cavalry must obviously depend upon radio for long distance and immediate action communications. With them, radio has priority. They recognize its disadvantages but they realize it is radio or nothing. I am happy to say that radio is giving them satisfactory service. That they will have much more serious difficulty with radio when in contact with the enemy than in peacetime maneuvers, no one doubts. The effectiveness of radio for the next war, like that of air operations, can obviously never be proven until the opposing forces are in contact. Meanwhile, against such a test, we are striving to put into the field the best equipment in the world and a radio organization capable of handling it effectively.

"Question - Because of its complexity of equipment, because of its lack of secrecy and because of its wide frequency channel, should not radiotelephony be curbed and should not Army field radio sets be built for radiotelegraph operation only?

"Answer - After considering all sides of the radiotelephone problem, I continue to view its use with distrust because of its lack of secrecy and its wide frequency channel. Pending results of tests of radio secrecy and collection of further information on use of frequency channels, I believe it wise for the using arms to fully investigate the tactical possibilities of voice transmission. But they must be prepared to use the telephone with the serious restrictions which will have to be imposed.

"Question - A war strength field army under present allowances will have about 2,000 radio sets in more than 327 separate nets. So many nets cannot operate on the available frequencies without mutual interference. This being so, why not take much of this equipment away from the troops now burdened with it and leave only those sets which can all operate at the same time? This would avoid some of the confusion we now experience in radio operation and would save men for the firing line. Moreover, the money which is now spent on this surplus radio equipment could be utilized for other things which we sorely need.

"Answer - Before answering this question we shall ask and answer a question of our own, 'Who are the troops presumed to be burdened with radio equipment which they cannot use?' Obviously not the Air Corps, Cavalry or mechanized troops. There are left then, the Infantry, Field Artillery, Anti-aircraft Artillery, and Signal Corps. These troops are apparently assumed to be so burdened. But are they in fact? It is true that the former, more speedy group will require the lion's share of the limited frequencies and that there may be too few channels left over to permit all nets of the latter group to operate simultaneously. However, before we make this a positive statement and say there definitely will be too few channels, we must know the character of operations in which we shall be engaged. If these operations will be similar to those on the 'Western front' in 1918 then there is no question about it; there will be too few channels to go around and some modification will have to be made in the normal organization of our radio nets.

"But many strategists find it difficult to visualize operations on the North American Continent similar to the trench-warfare stalemate of the 'Western front.' They picture swift-moving thrusts by forces operating with strategic coordination but with considerable tactical independence and with wide intervals between adjacent forces. The main ideas are strategic speed, surprise and fast moving drives against vital points. If the operation of a force is blocked it will not necessarily dig in and organize for a head-on attack against a prepared position. Rather will it seek to withdraw and to move with speed to strike a telling blow elsewhere. It will abandon its strategic mobility only as a last resort. If this be the likely character of our future operations, we shall need all our radio nets and shall be able to operate them simultaneously. Incidentally, it would be quite impracticable to maintain wire communications for operations of this character."

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THREE NEW STATIONS AUTHORIZED BY FCC

Three new broadcasting stations were authorized this week by the Federal Communications Commission. They are:

Gulf Coast Broadcasting Corp., Corpus Christi, Tex., on 1330 kc., with 250 watts nighttime and 500 watts daytime, unlimited hours; C. A. Rowley, Ashtabula, Ohio, 940 kc., 250 watts, daytime; Southwest Broadcasting Corp., La Junta, Colo., 1370 kc., 100 watts, unlimited time.

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MRS. JANET VAN LOON JOINS U.S. RADIO SCRIPT STAFF

Secretary of the Interior Harold L. Ickes this week announced the appointment of Mrs. Janet van Loon to the script department of the Educational Radio Project of the Office of Education. Mrs. van Loon, the daughter-in-law of Hendrik Willem van Loon, noted writer and commentator for the National Broadcasting Company, will write a series of radio scripts on the functions of municipal government.

The first series will be written about some community, as yet to be announced, near New York City, and will be produced over a local radio station. This series will be written wholly on an experimental basis and will be used as the model for another series of programs to be offered to local broadcasting units all over the country by the Radio Script Exchange of the Office of Education in cooperation with the Public Administration Clearing House of Chicago.

Mrs. van Loon, a resident of Dorset, Vermont, is considered an expert in the script-writing field and is well-known in both stage and radio circles. Recently she wrote and produced a radio series for children over a National Broadcasting Company network.

Mrs. van Loon's appointment augments a staff of established script-writers already employed by the Educational Radio Script Exchange. The Exchange started last Summer when a series of six scripts called, "Interview With the Past" was offered to local radio stations, schools, CCC camps, colleges, civic organizations and other broadcasting units interested in educational broadcasting. The success of the Exchange was instantaneous. More than 400 groups asked for the series.

The Office of Education decided to enlarge the Exchange, so 53 other scrips, which have been listed in a catalogue, have been made available to more than 5,000 educational and broadcasting organizations throughout the United States and Canada.

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GEN. HARBORD IS N.Y. RED CROSS FLOOD DIRECTOR

Gen. J. G. Harbord, Chairman of the Board, Radio Corporation of America, is in charge of the raising of New York City's \$1,500,000 flood relief quota for the American Red Cross.

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20 STATIONS EXPERIMENT WITH TELEVISION IN U. S.

Although television is still on an experimental basis in the United States, twenty stations are licensed by the Federal Communications Commission, an up-to-date list issued this week discloses.

The National Broadcasting Company and the Radio Corporation of America hold a half-dozen of these licenses, three each, and four of them are in the hands of educational institutions.

The complete list follows:

2000 - 2100 kilocycles for rural service

W9XAK	Kansas State College of Agriculture & Applied Science	Manhattan, Kans.
W9XG	Purdue University	West Lafayette, Indiana
W9XK	University of Iowa	Iowa City, Ia.

42000 - 56000, 60000 - 86000 kilocycles

W2XAX	Columbia Broadcasting System, Inc.	New York, N. Y.
W6XAO	Don Lee Broadcasting System	Los Angeles, Cal.
W3XPF	Farnsworth Television, Inc. (Construction Permit)	Philadelphia, Pa.
W9XAL	First National Television, Inc.	Kansas City, Mo.
W1XG	General Television Corp.	Boston, Mass.
W9XD	The Journal Company	Milwaukee, Wis.
W2XBS	National Broadcasting Co., Inc.	New York, N. Y.
W2XBT	" " "	Portable
W2XF	" " "	New York, N. Y.
W3XE	Philco Radio & Television Corp.	Philadelphia, Pa.
W2XDR	Radio Pictures, Inc.	Long Island City
W3XAD*	RCA Manufacturing Co., Inc.	Portable
W3XEP	RCA " "	Camden, N. J.
W10XX	RCA " "	Portable

(See also at foot of page)

* Licensed to operate on 124000-130000 kc. only

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Add to 42000-56000, 60000-86000 kc.

W8XAN	Sparks-Withington Co.	Jackson, Mich.
W9XUI	University of Iowa	Iowa City, Ia.
W9XAT	Dr. George W. Young	Portable

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"RCA REVIEW" COVERS VARIED PHASES OF RADIO PROGRESS

Articles of interest to the layman, as well as the technician, appear in the January issue of "RCA Review", a quarterly journal of radio progress, just off the RCA Institutes Technical Press.

David Sarnoff, President of the Radio Corporation of America, writes an informative history of "Three Decades of Radio", while two engineers, George McElrath and G. O. Milne, describe what went on "behind the scenes" at two NBC broadcasts during the NBC Tenth Anniversary celebration in November.

Mr. technical articles on television, automatic alarms, reproducing equipment for motion picture theatres, and ultra-high frequency propagation are included for the more advanced readers.

Charles J. Pannill, President of RCA Institutes, Inc., is Chairman of the Board of Editors, which includes, among others, the following:

Dr. Alfred N. Goldsmith, RCA consulting engineer; O. B. Hanson, NBC Chief Engineer; Charles W. Horn, Director of Research for NBC; Dr. Charles B. Jolliffe, RCA engineer and former FCC Chief Engineer; and Frank E. Mullen, Manager of the Department of Information, RCA.

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FCC GENERAL COUNSEL LAUDS WORKS OF STATIONS IN FLOOD

Hampson Gary, General Counsel of the Federal Communications Commission, this week highly praised the "valiant and effective services" that are being rendered by broadcasters in the flood areas in a luncheon address in Washington.

He said that hundreds of the 45,000 amateur radio operators licensed by the Commission are volunteering their services day and night for relief work.

In discussing the rules of procedure for the guidance of lawyers practicing before the Commission, Mr. Gary said the agency is aware of the inadequacy of its present rules, but is "earnestly desirous to render maximum usefulness." As science keeps forging ahead, he said, lawyers should keep pace by providing "safeguards for the common good."

Because the radio, the telephone and the telegraph have made all nations close neighbors, he predicted that the communications industry would "become more and more a mighty force in preserving the peace of the world."

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APPROVAL OF WJR-WGAR DEAL RECOMMENDED BY EXAMINER

The transfer of all of the outstanding stock of WGAR Broadcasting Co., Cleveland, O., to WJR, the Goodwill Station, of Detroit, was approved this week by Examiner Ralph L. Walker and recommended to the Federal Communications Commission for confirmation.

Last September WJR submitted to each of the stockholders of WGAR an offer to exchange shares of stock of the former for shares of stock in the latter on the basis of 20 shares of WJR for one WGAR share.

"It appears from the record", Examiner Walker stated, "that the pending application may be granted within the purview of Section 310 of the Communications Act of 1934; that the group of stockholders who now control the WGAR Broadcasting Co. also control the proposed transferee, WJR, the Goodwill Station; and that public interest will be served by consenting to the proposed transfer of control in that the services of the engineering, program, and other departments of WJR, the larger station, will be more readily available to WGAR."

Mr. Walker's report stated that figures submitted showed the book value of WGAR stock to be \$168.99 per share and that of WJR stock \$6.95. It pointed out, however, that last September WJR increased its capital stock from \$150,000 to \$1,000,000 and declared a stock dividend of 1200 per cent, thus increasing the number of shares from 10,000 to 130,000.

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TWO UNIVERSITY STATIONS PROPOSED IN CALIFORNIA BILL

A bill proposing the construction of two broadcasting stations by the University of California has been introduced in the State Legislature.

The measure calls for an appropriation of \$50,000 to erect two 50,000 watt transmitters, one at Berkeley and the other at Los Angeles, on the campuses of the two branches of the University. Concerning the proposed activities of the stations, the bill states:

"The operation of said stations shall be under the supervision and control of the extension division of the University. The division shall prepare and broadcast a curriculum of education beneficial to those citizens who are unable to partake of the benefits afforded by actual attendance at a university. The division shall arrange to broadcast, directly or by remote control from various cities of the State, public debates and discussions on matters of vital interest to the people of the State of California. They may also arrange for the broadcast of such other matters and programs as they shall deem to be of educational or cultural value."

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BLACKETT-SAMPLE-HUMMERT, INC., LEADS AGENCY SPENDERS

Blackett-Sample-Hummert, Inc., last year again led the agency field as the largest buyer of radio time and replaced J. Walter Thompson as the leader in handling business for both the National Broadcasting Company and the Columbia Broadcasting System, according to figures disclosed this week in New York.

The total time sales handled by Blackett-Sample-Hummert in 1936 amounted to \$8,022,429, of which \$4,048,579 went to NBC, \$1,963,086 to CBS, \$200,683 to Mutual, and \$1,810,081 for national spot advertising.

Lord & Thomas stepped into second place as the largest buyer of time on the two major networks with J. Walter Thompson third. Batten, Barton, Durstine & Osborn led the list of agencies serving CBS.

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BBC TELEVISION RECEIVED 60 MILES AWAY

"The invitation of the BBC to viewers to cooperate in the development of television has met with a cordial response", the British Broadcasting Corporation reports. "Many valuable suggestions have been made. A Brighton viewer states that he receives the television programs perfectly on his receiver. As Brighton is about sixty miles from Alexandra Palace, this represents a substantial increase in the area of reception which has hitherto been considered to be about twenty-five miles."

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AMATEURS RESTRICTED DURING FLOOD EMERGENCY

Because the Federal Communications Commission has been advised that the only contact with many flooded areas is by amateur radio, and since it is of vital importance that communications with flooded areas be handled expeditiously, it has issued the following order to all amateur licensees:

"It is ordered that no transmissions except those relating to relief work or other emergencies be made within any of the authorized amateur bands below 4000 kilocycles until the Commission determines that the present emergency no longer exists."

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EDITORIAL PRAISES ROLE OF RADIO IN FLOOD

"The practical utility of wireless communication has been demonstrated many times and in many different ways, but never more notably than this week when the stricken Ohio Valley dramatized its plight to the world over the ether", the Evening Star, Washington, D. C., said this week in an editorial. "Probably millions 'listened in' while towns in the flooded areas told the story of their experience with mid-Winter disaster. The tale was harrowing, yet fascinating. It brought the tragedy of thousands of families into the homes of their neighbors everywhere.

"But the broadcasts from Louisville, Cincinnati, Memphis, etc. were not mere news programs. Instead they were exchanges of information, advice and help. They were put on the air for the service of the populations of the inundated territories and with little regard for the entertainment value they might have for bystanders in parts of the country not affected directly. Perhaps it is not too much to say that the victims of the flood were organized for mutual aid by the radio networks. The morale of the people certainly was strengthened by the messages dispatched to them through the air. Coincidentally, the Nation at large was educated in the meaning of their predicament.

Of course, the appeal of the Red Cross for funds to meet the demands of the emergency was repeated again and again. It was natural that it should be so, but it likewise was inspiring. Many Americans must have rejoiced in the knowledge that an efficient agency is available to grapple with the problem instantly. To render the labors of its representatives easy must be the duty now of all who are not dead to pity for their afflicted countrymen. Money is a small thing to give, comparatively, but it is wanted in quantities and 'The Star' counts it a privilege to endorse the pleas for coluntary contributions. For once nothing requires to be added to the petition for assistance. Radio at its best has done the work with credit to itself and its patrons throughout the land."

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WASHINGTON DEALER BARRED FROM USING "RCA"

Sun Radio Service & Supply Corporation, 936 F Street, N.W., Washington, D. C., has been ordered by the Federal Trade Commission to discontinue representing through use of the letters "RCA", or by any other means, that the radio receiving sets and radio tubes and supplies it sells are manufactured by the Radio Corporation of America or any of its subsidiaries.

The order to cease and desist also prohibits the respondent corporation from advertising that its radio tubes are "new metal tubes", unless they are the products known to the trade and purchasing public as metal tubes in which the technical elements are sealed in a vacuum in steel.

Findings are that the Radio Corporation of America has built up and enjoys a valuable goodwill in the letters "RCA" as applied to its products, and that the respondent corporation's practices constitute unfair competition in violation of Section 5 of the Federal Trade Commission Act.

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SAYS TELEVISION HASN'T IMPROVED BENCHLEY HUMOR - YET

A writer in Esquire thus records his impressions of the RCA television demonstration for the press:

"We were in on the birth of television, or one of its labor pains. The little fellow only weighs about 3½ pounds and will doubtless have to be put in an incubator. Like all such infants, he wasn't much to look at and you couldn't tell whether he will take after his papa or mama. We sat in the R.C.A. building watching an 8 x 14 inch picture, which was being enacted a few floors below us, sent down to the Empire State Building and then broadcast on short waves.

"It was all very marvelous, when you thought about it, but so is the telephone and electric light. The point is, the best entertainment afforded was Bob Benchley in a variation of a speech he has been making for twenty years. Moral - science can't produce humor or improve on Benchley. Time will help."

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A new 100-watt broadcasting station for Greenville, Texas, was recommended to the Federal Communications this week by Examiner George H. Hill. The Examiner advised that the application of the Hunt Broadcasting Association for a permit to operate on 1200 kc., daytime, be granted.

Denial of an application for a new station at Albany, Ga., and renewal of the license of WGPC, Albany, were recommended to the FCC this week by Examiner Melvin H. Dalberg.

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WBZ, BOSTON, APPLIES FOR 500 KW

Application for an increase in power from 50,000 to 500,000 watts for WBZ, Boston, pioneer radio station of New England, has been filed by the owner, Westinghouse Electric Company, with the Federal Communications Commission. WBZ is the Boston outlet of the NBC-Blue Network.

In addition to the application for increased power, WBZ's plans include the removal of the transmitting station at Millis, Mass., to Provincetown, Mass., on the eastern tip of Cape Cod, and the erection of a new directive antenna. The new antenna will center the full force of the power behind the wave on the New England States.

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KRGV PAYS DIVIDEND OF \$7.50 A SHARE

Evidence of better times and good management in successfully bringing it through the depression period, is that Station KRGV, at Weslaco, Texas, has just paid an annual dividend of \$7.50 a share. M. S. Niles is President of KRGV, which serves the Rio Grande Valley.

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TWO INDIANA STATIONS TO JOIN NBC

Two more stations, WGBF, at Evansville, Ind., and WBOw at Terre Haute, Ind., will become affiliated with the National Broadcasting Company as optional outlets on either the NBC-Red or the NBC-Blue Network on Monday, February 1st. Their addition brings the total number of stations under contract with NBC to 116.

Established in 1923, WGBF is owned by Evansville on the Air, Inc., and is managed by Clarence Leich. The station operates on a frequency of 630 kilocycles with a power of 500 watts.

WBOw at Terre Haute operates on a frequency of 1310 kilocycles with a power of 250 watts in the day and 100 watts at night. It was established in 1926 and is owned by Banks of Wabash, Inc. William Behrman is the manager.

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